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AND China Overland Trade Report.

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BIRTHS.

On 8th June, at Newchwang, the wife of A. O. WILSON, of a son.
On 24th June, at Tientsin, to Dr. S. W. and Mrs. BABINGTON, C.M.S., a son.
On 28th June, at Shanghai, the wife of A. SANDER, of a son.

MARRIAGE.

On 27th June, at Shanghai, DONALD MCALISTER to JULIA, widow of the late JAMES KEENAN, of Shanghai.

DEATHS.

On 3rd June, at Paoning, Szechuan, ARTHUR LAWRENCE, Church Missionary Society, aged 37 years.
On 10th June, at Newchwang, MARY ANNE IDA, daughter of Mr. and Mrs. A. O. WILSON.
On 13th June, at Chungking, GEORGE JOHN COLWELL (late I. M. Customs, Chungking), aged 36 years.
On 24th June, at Hamburg, HERRMAN SCHROETER, senior partner in the firm of Telge and Schroeter of Tientsin and Hamburg.

Hongkong Weekly Press.

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ARRIVAL OF MAILS.

The German Mail of June 6th arrived, per the ss. *Scharnhorst*, on Wednesday, the 5th instant; and the French Mail of June 9th is due to arrive, per the ss. *Tonkin*, some time to-morrow.

EPITOME OF THE WEEK.

A morning paper—the first and only—starts at Singapore next month.

News has come that the *Peresviet* was refloated at Port Arthur on June 29th.

Mr. James Scott, H.B.M. Consul General at Canton, has been awarded the I. S. O.

Some of the Tokyo papers calculate that Japan has to date spent 953 million yen on the war.

It seems almost certain that Russia has been financing the Dalai Lama, who was last heard of at Kiakhta.

The net profits of the Kawasaki Shipbuilding Co., at Kobe, for the past half year amounted to Yen 287,696.89.

His Majesty has conferred Knighthood upon the Chief Justice of Hongkong, now Sir Francis Taylor Piggoit.

Mr. Aristoon Seth, Registrar of the Hongkong Supreme Court, has been awarded the Imperial Service Order.

The inmates of the House of Detention are now allowed to wear their own clothes, provided they be clean and kept so.

Mr. E. J. Moss, merchant, of Fo chow, has been adjudged bankrupt by an order of H.B.M.'s Court at Foochow.

The Wai Wu Pu has finally agreed to a foreign loan of three million taels for the extension of the Foochow dockyard.

Mr. E. A. Irvine has been appointed to act as Registrar General during the absence on vacation leave of the Hon. Mr. A. W. Brewin.

There has been a big brewery "combine" in Japan, the Sapporo Asahi, and Nihon breweries amalgamating with a capital of five million yen.

The island Shin Iwojima, 480 feet high and 5,000 yards round, which recently rose out of the sea near the Bonin Group, has disappeared again.

Professor William Douglas Cox, Foreign Instructor in the First Higher School, Tokyo, is dead, after twenty-nine years in the Japanese Government's service.

The Committee of the Tung Wah Hospital have received, for the year ending June, 1906, His Excellency Sir Matthew Nathan's annual subscription of \$200.

The Russian prisoners-of-war now in Japan are estimated at 60,419, comprising 974 officers and 59,445 men but exclusive of 7,281 Russians captured in the Battle of the Japan Sea.

On July 9 there reached us an ominous rumour concerning the native banks at Canton, for which we prefer to await confirmation. Money is unusually "tight" at the native city.

The natives do not welcome the new electric trams at Singapore. At the opening, it was found that large pieces of stone had been put on the rails at intervals for a distance of three miles.

The Japanese Government has released the *Sado Maru* from naval service. The *Sado*, which was on the London-Yokohama run, has had very exciting experiences since the war began.

Chan Sham, former shroff at the Magistracy, appeared before Mr. F. A. Haveland at the Police Court on the 6th inst. to answer to the charge of embezzling \$1,000 and falsifying a book, the property of the Government. Mr. F. B. L. Bowley, Crown Solicitor, said he offered no evidence, and asked His Worship to discharge the defendant. The defendant was discharged.

A Chinese paper at Shanghai announces that it will not publish any more American advertisements. This is a good move. It did not have many, and its self-denial should increase its Chinese business.

In the compound of the Central Police Station on the 6th July 21 European, 94 Indian and 104 Chinese units of the Hongkong Constabulary were paraded for the inspection of H. E. the Governor.

The total annual grants to the various schools of the Colony, as published in an appendix to the Government Gazette, are as follow:—English schools, \$13,582; Chinese, \$7,481; non-Chinese (one) \$88; Vernacular, \$37,308.

The price of coal at Moji is still rising, notwithstanding the gradual increase in the coal stock there. The average prices at the Japanese port recently were Yen 55.32 per 100 piculs of lump, Yen 49.62 for mixed, and Yen 43.18 for dust coal.

George Parker, a member of the Hongkong constabulary, while doing special duty at the Ko Shing theatre on the 1st instant, was seized with an attack of fever, and had to be removed to the Government Civil Hospital, where he died on July 2nd.

The successor to the late Bishop Piazzoli, as Roman Catholic Bishop at Hongkong, is to be the Rev. Fr. Domenico Pozzoni, a native of Palermo, who came to Hongkong twenty years ago, and has been occupied inland as a missionary. News of the appointment arrived on July 7th.

The *N.-C. Daily News* understands that information has been received by the local agents of the Asiatic Petroleum Company, from their principals in London, that a proposal has been made by the Governor-General of the Dutch Indies, to levy an export tax on kerosene oil at the rate of 55 shillings per ton.

A Manila attorney complained that a Chinese witness (called by his own side) was lying. The lawyer on the other side said he should withdraw that. "The statement will certainly not be withdrawn," said Mr. Bouve complacently, "I will make it prevarication, however, which is a long word and sounds better."

In quoting from Admiral Togo's official report of the Battle of Tsushima, we were struck by the opening, which began "By the help of God." We have since seen a translation by the *Japan Chronicle*, which we think likely to be correct. It makes the gallant admiral begin, "With the grace of the Heavens and the God."

According to the *Sinwanpao*, Viceroy Yuan Shih-kai thinks it necessary to establish telegraph corps in the armies under him and after due consultation with the Council of Military Reforms he had ordered his armies to have twenty men from each circuit and place them under commander Chu Yu-kang to study the necessary knowledge of a telegraph corps.

Mr. Barbet, Vice-Consul-General for America at Shanghai, left for his home in Maryland on June 24th. Dr. Barbet has been in China for about forty-five years, most of which were spent in Ningpo as a missionary. Later he entered the American Consular Service, taking charge of the Land Department, where his knowledge of Chinese stood him in good stead.

FAR EASTERN INVESTMENTS.

(Daily Press, 1st July).

Many, or at any rate, a considerable few, of the investors of the China coast and in this Colony distrust local companies as permanent investments, the idea being that there are "wheels within wheels" in numerous cases that do not turn to the advantage of bona-fide investors. Some concerns that share in this feeling are to all appearances of a standing to offer security of the "gilt-edged" variety. Their position and prospects cannot easily be impugned, and they often pay dividends with which the returns that satisfy European investors cannot be compared. The distrust is by no means logically distributed. Some businesses that would not attract a really cautious investor are quite popular; others, with which it is difficult to find fault, are eschewed by those with capital to employ. The popular impression seems to be that there is far too much Stock Exchange gambling to make the local share markets a safe field for investment; and that only those who are, as the slang expression goes, "in the know," can hope to profit by "ealing in these securities. The ordinary investor, whose object is to retain his capital in some safe concern while drawing a regular and reasonable return, is told that at any moment his good dividends are liable to be set off by alarming depreciations of the value of his shares. We must certainly admit that these violent fluctuations do occur, with some frequency; and that there is often no apparent relation between the actual profits or working of a company and the rates at which its shares may be from time to time quoted. To mention, without any implication, some recent occurrences of the kind, there was what the sharebrokers described as "the 'awful slump' in Indo-Chinas." There was also the recent case of the High-level Tramways, for buying shares in which a bona-fide investor would not have been considered unwise twelve months ago, but who would now be facing a very apparent hole in his capital. There is the case of S. C. Farnham Boyd and Co., Ltd., perhaps more typical than those we have mentioned. That, as a shareholder has recently pointed out, is Shanghai's biggest industry, "the most important British interest on the Yangtze," and everyone will agree with him that "it ought to be a gilt-edged security yielding regular returns to genuine investors." Yet no genuine investor who bought shares at three hundred taels can have his trust in Far Eastern undertakings strengthened by the present value of his holding. In that case it seems to be admitted that the business is in the hands of a company of men with mixed motives, a number of genuine investors, and a number of what the Chairman has called "the speculative element." In trying to hold the balance even between these two opposing forces, the directorate seems to have fallen between two stools. At least, this is one impression we derive after wading through the recent maze of argument at the northern port. Apparently genuine investors are in the majority, as the Chairman has stated that about two-thirds of the original shareholders have never changed their holdings, unless to increase them. If this be the case, it may be that it is "the speculative element" which is raising all the potholes. To us, it looks very much like that; but so many extraordinary allegations have been made that we do not care to express an opinion with any show of confidence. The broad fact remains that there is a

growing prejudice against Far Eastern industrial investments, and such disputes are not likely to combat that prejudice, nor to establish the reputation of any of the companies so afflicted. Many ex-Colonials and settlers who have retired to a well-earned rest at Home have left the bulk of their savings invested in the Far East, attracted by the more favourable returns made. Should these, and other non-gambling investors, begin to fight shy of local industrial undertakings, it would be a bad day for business enterprise. Fluctuations in values caused by rising and falling exchange do not alarm them, for the two work almost automatically together, a fall in the value of the dollar usually being accompanied by a rise in the prices of stock. The latter adjust themselves. But if violent fluctuations grow more common, and it becomes known that Stock Exchange gambling is really the secret of it all, there will be inevitable and wide-reaching results of truly deplorable nature. It is much better all round to have steadier values and normal returns than the bloated and unhealthy profits that are brought about sometimes apparently without sufficient cause. One Far Eastern feature which sometimes strikes us as peculiar is that there should be such apparent unanimity and satisfaction at shareholders' meetings; and almost simultaneously such torrents of virulent and anonymous criticism in the correspondence columns of the Press. The desiderata appear to be, directors who are like CÆSAR'S wife, above suspicion, shareholders who, however many baskets their eggs may be in, will keep their eye on the baskets, and have the courage to sound an alarm when anything suspicious approaches; and, lastly, and by no means easy, some restraint upon the increasing number of the frequenters of the "Rialto." The jest is melancholy, and the slang objectionable, but the obvious reflection is that too many brokers means too many "broke."

THE "JAPANNING" OF CHINA.

(Daily Press, 3rd July).

England had but one CECIL RHODES. Japan has many who dream similar dreams, who "think in continents;" and some of them, having been telling their dreams, have, like JOSEPH with his brethren, made themselves unpopular. Unpopular, that is to say, with a section of the foreign public, that section which is or pretends to be alarmed at the "Yellow Peril." A good many people who knew and liked the Japanese, dreaded the effect upon their behaviour and attitude that decided victory over Russia might bring about. Stoical, expressionless as they seem, those who know them intimately know that they are men of like passions with ourselves. To those who anticipated that long training would succumb to strong feelings, and that there would be "Mafficking" in Japan, a very agreeable disappointment has come. Absolute confidence in the Government, and unswerving loyalty to the Throne, have been their safety-valve; and the pressure gauge has not once indicated anything alarming. This people, admirably patient under injustice and adversity, is able to contain itself when it might well be delirious with pride and delight. It is thus evident that there is no Yellow Peril behind the Japanese temperament. Is there really any more behind Japanese policy? The few newspapers in the Far East that have accepted the retaining fee of the advocatus diaboli are making pathetic attempts on behalf of Russia to rob Japan of the world's

friendship and sympathy. Every Power that has Asiatic possessions is threatened with the loss of them; and particularly those who have markets in China are warned that very soon China will be "Japanned," and all foreigners warned off. We are told that China will re-organise and become as strong as Japan, under Japanese teaching and influence; that the whole trade of China will fall to the enterprising Japanese, whose competition has already begun to be more than noticeable; and that if BRITANNIA continues to rule the waves, the waves of the Pacific will not have to be counted in. Of course Japan, when the war is over, is bound to advance commercially; but all this talk of "Japanning" China is the veriest nonsense. Those who accept the forecast forget what China is, and ever has been. Overrun time after time, having to submit to foreign teachers and alien legislators again and again, China continued to be China, absorbing her conquerors and her would-be improvers as the sea absorbs all the rivers and torrents of fresh water without ceasing to be salt. Japan is welcome to do all she can in China, for having cast in her lot with the nations of civilisation and progress, her successes will be their successes. If Japan can succeed where others have failed, all the better; for who wishes the China of to-day and of yesterday to be the China of to-morrow? It is at present the one wheel of the world's machinery that refuses to go round. Some of them are revolving, strongly and silently; others, like Russia, slowly and creakingly at present; but all, save China, are turning in the desired direction. The big Chinese wheel alone rusts on the axle, and threatens to throw the rest out of gear. If the cogs of Japan bite into the cogs of China, and the two turn with the rest, where is the peril to the whole?

BRITISH SHIPPING.

(Daily Press, 4th July.)

LORD MUSKERRY has always a watchful eye for the interests of British shipping; but his recent interpellation in the House of Lords with regard to the coastal trade of the Philippine Islands did not result in much encouragement for British shippers. His Lordship himself recognised the hopelessness of expecting any concession from the American Government; but used the case as a warning to British legislators in dealing with other places at which British interests are supposed to be threatened. He had in mind the question of wharfage at Hankow, with which subject we have already dealt, and have no more to add than that LORD MUSKERRY, as seems clear from the reply of the Marquis of LANSDOWNE, was misled in supposing the cases to be on all fours, or even to possess any similarities. The wharfage reserved at Hankow for British shipping is not the whole of the accommodation. It is a particularly suitable strip of the British bund, but cannot accommodate more than about four steamers at a time; and the fact that the McBAIN steamers now owned by the Nippon Yusen Kaisha have been registered at Hongkong does not prevent the Municipal Council from giving British owned, as well as British registered, vessels the preference. In the case of the Philippines, British shipping has no such leg to stand on. When the American Legislature was considering its Bill to exclude all but American and Spanish ships from the insular trade, the British Government urged their claim, under the most-favoured nation clause of their treaty with America, to special consideration of the needs of British

shipping. Spanish shipping was, not excluded, because of the special Treaty of Paris, by which America undertook that Spanish shipping should enjoy equal advantages with American shipping in respect of tariff duties on Philippine imports. That undertaking was for ten years, and at the end of 1908, two years and a half hence, American shipping will have a monopoly. For in the matter of the British representations, the American Government replied that their obligations under the most-favoured-nation clause could not take precedence of a special treaty. As Lord LANSDOWNE expressed it, it did not preclude America from "making, by treaty with another Power, for value received, special arrangements entitling that Power to exceptional privileges or advantages." This meant that the exception made in the case of Spain did not justify the British or any other claims to equality of treatment; and, as recently announced in a *Daily Press* telegram, there is no longer any hope of inducing the American Government to take any other view. Many who are interested in the carrying trade, believe that the extension of the American coastwise laws to the commerce between the United States and the Philippines, involving the carriage of all freight in American bottoms, will lead to a serious increase in freight charges, which, they say, may not improbably be doubled. As the new law does not come into force until July next year, and the favoured treatment Great Britain applied for could not be claimed, and would certainly be withdrawn, two and a half years later, when the Spanish agreement terminates, Lord LANSDOWNE was of opinion that there was no reason to be seriously disappointed; that, in fact, the grapes, if not sour, were very small. This is no doubt a very philosophical way of regarding matters, but it might be carried too far. It seems clear that British shipping must lose its Philippine trade; but in the cases of the Marshall Islands, and the Canaries, there are openings for greater firmness. In the case of the former, Australia's threat to penalise German trade would undoubtedly help to make the German Government as amenable to reason as it has proved. In the case of Spain, which has decided to shut out foreign shipping from the Canaries, more information should be forthcoming before long. The visit of KING ALFONSO, and his reception, may make the Spanish Government's decision less adamant. If not, there is always the weapon of retaliation, and so far as we can see, the number of those willing to resort to such a step is increasing.

ODESSA.

(*Daily Press* 5th July.)

We have been told that Russia was ripe for revolution, that revolution was actually breaking out. We have also been told that the disturbances were merely incidental to the war, that the real revolutionaries had nothing to do with them, and that no historical changes were at all likely to take place. The recent startling news from Odessa does not settle the point for us. It may be that the crushing reverses suffered by the Russian army and navy has upset the mental balance of the rank and file; or it may be that the mutiny is one more feature of a widespread feeling, that the men who have murdered their officers seized two big warships, and opened fire on the troops sent to arrest them, are actuated by the popular discontent with those set in authority over them. For our part, the latter

seems the more likely. Russia seems in the throes of revolution, and the shocking scenes at Odessa have a striking resemblance to the "reign of terror" that accompanied a bygone revolution elsewhere. In both instances, it was and is the masses against the classes, and there can be but one outcome, if human nature has not changed, or if its capacity to endure injustice and oppression has not been abnormally strengthened. There is the story that it began with the official shooting of a seaman who had presented his comrades' prayer for better food. His act might have been contrary to naval ideas of discipline; he may even have discharged his mission in a truculent manner; but however he did it, summary execution was neither right nor politic, especially at such a time, and with such conditions prevailing. If that story be true, and if it be the fact that the naval authorities, afraid of the trouble spreading, have disarmed ("disabled," our telegram said) the other vessels and left the place to the mercy of the mutineers, then we are enabled to gain some idea of the mental helplessness and desperate folly of an officialdom that is advancing to its doom. Such a position, with two big warships absolutely in the control of outlaws, would probably call for foreign intervention. If this be necessary, we hope that the interveners will not do more than see that the two rebel ships are prevented from working mischief on innocent neutrals. It would be a mistake for the Powers to meddle with Russian internal affairs. Either the autocracy-bureaucracy must win, or it must lose. No outside interference, such as was attempted at Paris, can cure the ills of Russia. The nation must "dree its ain weird"; and will probably be worse before it can be better. One thing seems clear. Although there are all the causes, and all the symptoms, of genuine and general revolution, the malcontents do not appear to have discovered any competent leaders or any concerted plan. It says much for the strength of the ir feelings that so much has been done all over the Empire without this necessary organisation.

ANGLO-JAPANESE RELATIONS.

(*Daily Press*, 6th July.)

The emphatic declaration which was made by Mr. CHAMBERLAIN in favour of a permanent alliance between Great Britain and Japan must have come as a surprise to many who have become accustomed to a traditional halting policy with respect to all matters in the Far East. There are probably few politicians who would venture upon so definite a statement of their views as was made by the member for Birmingham; but Mr. CHAMBERLAIN is nothing unless decisive. This quality has been the secret of his success and, it must also be admitted, to some extent of his failures. When once public opinion is fairly made up, the politician who will boldly declare and maintain it carries all before him; but the case stands very differently when a problem is still in the balance and the public require some further information before finally making up their minds. It is, therefore, a question of much interest whether the utterances of Mr. CHAMBERLAIN at the Liberal Union Club will conduce to bring about a permanent alliance with Japan, or whether it may not prove that the suggestion made in so definite a manner was a little premature. On the whole, however, there is good reason to hope that in this instance, at all events, Mr. CHAMBERLAIN has not erred by being too much in advance of his hearers;

and that public opinion in England does not require a very great amount of further education to bring it to the point of accepting an understanding with Japan of a permanent character as, at all events *prima facie*, a desirable measure. For some time past feeling has certainly run in this direction, but in matters of this kind the British public is much averse to being hurried; and so definite an utterance as that which has been made was scarcely expected from any high quarter. What is proposed is a "mutual defensive understanding between Japan and Great Britain"—which would mean an understanding that they would jointly withstand any attempts which would have the effect of threatening Japan on the one hand or India on the other—in other words an agreement to join together in preventing the encroachments of Russia or any other nation (if one should appear) desirous of following in her footsteps.

The suggestion seems to have been received on the whole favourably, if we may judge by the comments upon it which appeared in *The Times* and other leading British papers. As has from time to time been indicated in these columns, the drift of events has been clearly in this direction, though it scarcely seemed that an idea of the kind would take definite shape so soon as has proved to be the case. In these days events march rapidly, and it may now be taken that the question of some such alliance as is proposed will before long be taken into serious consideration—and, indeed, there is every probability that in some form it will be acted upon. The benefits of such a combination were pointed out some time ago in the practical suggestion that, by such an arrangement, England would gain the advantage of a large number of valuable troops in case of necessity, while Japan would secure the support of the British Navy. To this it was objected that the mere fact of England's acknowledging that she might be dependent for troops upon a foreign country, was an admission of weakness unworthy of an Empire claiming a dominant position in the world. That there is something in this argument, it is impossible to deny; but it is equally impossible to ignore that, in the event of any great struggle arising with respect to India, the want of a sufficiently large army would undoubtedly be severely felt. The question is one of plain fact, not of sentiment, and it would be a great mistake to throw aside a means of remedying a great defect in our means of defence in Asia, should the occasion arise, on the grounds that it would be very desirable that such a defect did not exist. It is not to be overlooked that for many years past precisely the same state of matters has been recognised, and acquiesced in, as applying to Great Britain's position in respect to any serious hostilities in Europe. Of late there has been a commendable attempt to increase the number and efficiency of the army, but for years it was an accepted axiom that England was not in a position to take part in any great European war without allies; and, though this idea may have gone somewhat further than the actual facts warranted, it cannot be denied that there was a substantial foundation for it. Taking this into consideration it may not, after all, be so serious a matter that the existence of a similar state of affairs should be recognised in the present day as a fact which we have to face in regard to maintaining our supremacy in Asia.

The main question, however, to be considered is whether there is sufficient common interest between Japan and Great Britain

in Asia to warrant such an understanding being arrived at and, upon this point, those who have watched the course of recent events can have very little doubt. It was not only not denied, but on more than one occasion ostentatiously declared that part of Russia's policy, in endeavouring to obtain supremacy in Manchuria and generally in the East, was to strengthen her position in the direction of India; nor can any one doubt that this would be the result of her succeeding in the policy of aggression which has fortunately received a check. England has, therefore, a direct and most important interest in withstanding such advances. On the other hand, there can be no question that any success obtained by Russia in the direction of India would have the most serious effects upon the position of both China and Japan. The interests of the two countries are, therefore, at one in maintaining the peace in both these directions, and a compact between the two nations to withstand the undue advance of Russia in either of the directions indicated would seem to be what is naturally dictated by ordinary considerations of prudence, as suggested by recent events.

THE WAR SETTLEMENTS.

(Daily Press 7th July.)

It seems plain to some people that Germany is itching to act the part over again that was played by Russia with regard to Japan in 1895, and that this is the true cause of her effusive desire for peace. We have had a very distinct enunciation by the British Foreign Office of its opinion that in view of the successes in the war hitherto gained, Japan is entitled to name the conditions on which she is willing to enter into peace negotiations with Russia. What are likely to be the conditions are not at the present time disclosed, but Japan from the first has been consistent in stating that they will include the absolute retirement of Russia from Manchuria, and should she persevere in striving to maintain her position by force of arms, that the total expense of the war will have to be repaid to Japan. The principle is that neither Russia nor Japan should obtain at the expense of China any territorial advancement, and that, so far as the outer world is concerned, affairs should as nearly as possible be restored to the position in which they stood before the war. This palpably covers the whole of the interest of any outside Power in the war. Neither Germany nor any other Power has any concern with the arrangements which the successful Power may deem fit to impose on the other, provided that no infringement of the received practices of International Law be attempted.

Without any pretence at "exclusive" information, we have been able to gather from influential sources some of the opinions prevalent in official circles as to the conditions likely to be put forward. These of course divide themselves into two categories; one of public international concern, the other the private demands of Japan, as between herself and Russia. The chief of the stipulations under the former heading, of course, refer to the evacuation of Manchuria. No party in Japan seeks territorial advancement in this direction, and the wish is very general that China will be prepared to take full possession of the territory as it existed before the events of 1900, and unhampered by any stipulations as to the presence of a Russian force. Under such conditions Dalny, Newchwang and some other stations would be opened as Treaty Ports to the world at large, no special privileges being claimed for

Japan. With regard to Port Arthur, opinions vary between retention and immediate surrender, but probably the consensus of opinion is in favour of retention till China has shown her complete ability to administer the entire territory, in her military as well as civil capacity. Other demands in which the outer world may have some concern, include the entire withdrawal for a term of years from Asiatic waters of a Russian war fleet, beyond what may be actually necessary to guard her bona-fide mercantile interests. The immediate surrender of Vladivostok as a guarantee of good faith, before commencing negotiations, will also probably form one of the stipulations. With regard to the private demands of Japan, in which the world at large is only interested so long as they conform with general International Law, it is certain that Japan will demand, and insist upon, a substantial indemnity for the enormous cost, both in money and blood, of a war forced on her by direct aggression.

Most well-informed circles say that the probable amount demanded will amount in round figures to a hundred millions sterling. Except as an appeal *ad misericordiam* foreign Powers have no ground here for interference. Another demand in which foreign concern is an absolute minimum, is the retrocession of Saghalien. Some twenty years ago it was understood that a settlement had been arrived at by which Russia was to occupy the northern, and Japan the southern half of the island. Under pressure, Russia subsequently forced on Japan the useless, to her, group of the Aleutian Islands, and took possession of the whole of Saghalien. Japan has never willingly acquiesced in this position, and has always expressed her intention of reclaiming the island at the first convenient opportunity. Since the capture of Port Arthur and the defeat of the Russian army before Moukden have set free a considerable force of the Japanese army, Japan has been concentrating her strength for an attack on Vladivostok, feeling that as long as Russia continued in possession of this formidable stronghold there would always be the temptation to engage again in an aggressive policy. A few weeks ago a piece of information was permitted to transpire, that Japan was intending to occupy Saghalien as a base for further operations against Vladivostok. There is nothing inherently improbable from a military point of view in the scheme, and it is likely that the occupation has been, at least in part, accomplished. Saghalien is known to be rich in coal, and probably in other minerals. We know little of the products of the soil, but they are apparently not inferior to those of other countries under the same latitude. Some quarter of a century ago, Saghalien was not altogether unknown in the mercantile world. Some cargoes of coal from Dumi did, at all events, find their way to the China coast, where they met with a ready sale. Since the Russian occupation it has been made use of only as a prison for criminals thought in Russia to be bad for Siberia; and has been practically closed to the world, and the unsavoury conditions of Siberian prisons been repeated there, with surroundings more unsavoury still. There is no doubt that the world at large would be benefitted by its transfer to Japan.

There yet remains what from an external point of view may be regarded as the most important of all; and that is the position of the coast province of Eastern Manchuria, known since its Russian occupation as Primorsk. Here Russia is in the position of the unjust steward who had wasted his goods. Situated on the east coast of Asia, as Canada

in the corresponding position in America, it is now forty four years since, by an act of unexampled falsehood and treachery, it fell into its present hands. What has Russia since done to atone for her part in the transaction? It may be said, Absolutely Nothing. Yet Eastern Manchuria is one of the finest and fairest provinces on the earth. When she took possession, it was practically uninhabited. Originally it had been an appanage of the Manchu people, whose chief now occupies the throne of China. In the conquest of China, the Manchus had literally exhausted themselves, and to hold their new possessions they found it necessary to remove their old subjects in mass to garrison the chief towns. Eastern Manchuria fared even worse than the western districts, and with the exception of a few hunters, the fertile soil of the sea-coast province was absolutely unpeopled. In 1876 the Civil Governor, a German from the Baltic provinces, proposed the introduction of agricultural colonists, but his views were openly ridiculed by his subordinates, and met with no favour at St. Petersburg. At all events he was almost immediately recalled; and from that day to this the state of affairs has gone from bad to worse. The only use made by Russia of this rich country, which in civilised hands would long ago have been the gem of the western Pacific, has been to build the grim fortress of Vladivostok. For defensive purposes, as there were absolutely no possible enemies to attack Russia, the fortress was needless, and stood self-condemned; its only use has been from time to time to shelter a fleet, always sent to the East for aggressive ends. With Vladivostok and the coast, is connected the kindred subject of the navigation of the Amur, and a party amongst the Japanese have been urging that the opening of the Amur, and the cession of the coast, should be made one of the demands of the Japanese. However utilitarian from a world point of view would be these measures, it can hardly be said that at the moment Japan is in a position to enforce them; and certainly the outside Powers have not yet awakened to a full comprehension of the important interests involved. In both instances Russia has misused her stewardship; and the time for retribution will assuredly come. It has not yet, however, arrived, and we believe the far seeing counsellors who guide the affairs of Japan have consistently declined to urge any demands not the direct sequence of Russia's enlarged pretensions since 1900.

THE CHINESE AMERICAN BOYCOTT.

(Daily Press, 8th July.)

Tientsin papers are full of the Chinese boycott of American goods and American people, and we notice that the *Peking and Tientsin Times* takes quite an original stand in the matter. Where other journals have argued academically *pro et con*, or tried to lay bare the rights and wrongs of the question, our northern contemporary simply denounces the movement as impolitic and dangerous, and warns the Chinese Government of the dangers it runs, and the responsibilities it incurs, by allowing the Chinese public and press to take the line they are taking. Our view of the agitation was that it was a plausibly justifiable expression of an unjustifiable general anti-foreign prejudice; and our contemporary, while it does not burrow for the motives and origins of the movement, is struck by the fact that the Chinese masses are unlikely to distinguish between a special

crusade, with which many outsiders will be in sympathy, and a popular prejudice which, in view of the precedent of 1900, must be universally condemned and denounced. The *Times* sees in the movement a danger, not only to America, but to China and her foreign relations; and describes it as a "fanatical outburst." The implication would seem to be that there is but a step from boycotting to Boxerism. This Yellow Peril view of the matter did not and does not appeal to us, but we cannot say that there is no justification for it. The threatening letters and the street attacks which we regarded as symptomatic of the Chinese lack of unity, may also be taken to indicate that the murderous devil has not been driven out of the Chinaman with a grievance. It is unlikely, however, or so at least it seems to us, that this alleged national movement, this popular ebullition of a new-born patriotism, will endure long enough, or spread far enough, to lead to serious extremities. Indeed, the same journal, which sees in the American boycott a dangerous fanatical outburst, evidently agrees with us that the prospects of a successful boycott are small. "North and South never have worked together," it reminds us, and goes on: "It will be surprising if any real affinity of purpose survives the initial stages of the movement. Chinese traders have to live, and this new form of Chinese patriotism will be sorely put to it when the small trader, his present supplies exhausted, finds himself pledged not to buy and retail the only saleable commodities within reach, and to procure in their place an article which will not create the same demand or represent the same profit." It has to be admitted that the movement makes a very respectable showing in the newspaper reports. Chinese in Singapore, Penang, and other Straits Settlements are mentioned as participants. Hongkong was excluded, but would have nothing to do with it; but all the Treaty Ports are represented. In Peking, the cry is the Chinese equivalent of *a bas l'Américain*; and it is now cunningly put about that the DOWAGER EMPRESS herself has voiced her concern for her persecuted "children" in the land where white men have the stars and the coloured folk the stripes. But that story proves nothing. For every town where the boycotting brigade is preaching, there are dozens where the crusade has never been heard of, and whence come requests for more of those cheap and excellent goods that bore the U.S.A. chop. The movement was requiring so much bolstering that we anticipated its speedy waning. It was too much of a mere newspaper flare. When the Press echoes the cry of the People, great things sometimes happen, but when the Press runs on ahead, with an independent shouting, it does not always achieve success. There has been for years in England an intermittent but fairly persistent journalistic crusade against things "made in Germany." In England the papers are more numerous and more generally read than they are in China, but the great mass of the people goes on buying German goods, "because they are much cheaper, and answer just as well." Mr. CHAMBERLAIN has striven hard to educate his nationals, but "pocket" pulls harder than "patriotism"; and where he has failed, we can scarcely hope that a few aggressive Shanghai journalists will succeed. The Commercial Guild at Tientsin has sent a circular to all the retail dealers to the effect that

"The Tientsin market having been more or less disturbed ever since the Boxer trouble,

although, thanks to the intervention of the authorities, things have shown great improvement of late, it is not advisable to again disturb and hamper the trade just as it is showing signs of rapidly increasing by participating in this new trouble. The proposed boycott will undoubtedly much impede trade. Goods which have been bought cannot be disposed of, and those ordered and on their way cannot be cancelled. Any course of action which hampers trade and tends to spoil the market will be very hard on the Tientsin merchants, and they, therefore, send out this circular to state that the trade must be kept to its normal channels and not be disturbed by idle rumours, and they take this action in the hope that they may thereby save the local business men from severe loss."

Tientsin is typical of other Chinese centres where American goods have been introduced, and what is happening at Tientsin is probably happening elsewhere. At Canton, latest advice has it that the agitation thrives. The way to suppress an anti-American agitation in Canton is to start another, anti-everything, so long as it be foreign. The Chinese merchants at Hongkong dropped the manifesto like a hot cipher the moment it was presented to them; and as Hongkong and Canton, where business is concerned, are almost like the Siamese twins, there is another reason why importance need not be attached to the movement at Canton.

SOME JAPANESE FINANCIAL FIGURES.

(Daily Press, 10th July).

Modern methods of presenting statistics were first popularised, so far as we are aware, by Mr. J. HOLT SCHOOLING; and although his eccentric pictures of enormous loaves and little men standing beside them attracted a great deal of attention in the pictorial magazines, men of affairs continued to look askance at such graphic but flippant representations of facts previously set forth in rows and columns of solemn figures. But to the business men to whom figures appeal more than do any number of fine literary phrases or trenchant arguments, time-saving devices also appeal; and long before the pictorial method caught the editorial fancy, it was recognised by scientifically-minded men, like Dr. BERTILLOU, Professors WESTERGAARD, GABAGLIO and LEXIS, that something other than mere figures was needed to express the results of statistical research. Diagrams and curves, logarithmic or otherwise, are required by the most conscientious of statisticians (who have a contempt for the big loaf and the little man) to supplement and complete their careful compilations. This method has been seized and mastered by the Japanese to a wonderful extent, and it is always a pleasure, as well as profitable, to open one of the Financial and Economical Annuals of Japan. The fifth (for 1905) has reached us by courtesy of the Consul-General for Japan. There is scarcely a page from which some interesting statement cannot be extracted. For the fiscal year 1905-6 it is apparent, at a glance, that the ordinary revenue was larger than ever before, and a second glance gives the figures, practically three hundred million yen. Ordinary expenditure for the same period was less than for the previous year, and about 26 millions more than half the revenue. Land and liquors share the great bulk of the taxation. The burden that war is and may be is startlingly apparent in a diagram showing the national debts outstanding on 31st March last. Roughly a two-thirds segment of a circle shows the war debt, yen 1,003,317,150. The next biggest is the very innocent 167 millions required to consolidate old loans. The war has increased the national debt per capita from a little over ten yen to nearly thirty yen. It

originated eleven loans, and caused one hundred and seventy-six millions to be levied in special taxes. Yet the people continue "banzai ing," and the accountant, who might well have been driven to "hara-kiri" while analysing all these millions of debt, visibly "chortles" in broad splashes of yellow and green, showing how the Japanese, when asked for one million, offered five. Trade flourishes in spite of war. In 1903, there were nine thousand companies with an aggregate capital of over twelve hundred million yen. There was a bigger output of silk in 1903 than any previous year, and the production of cotton yarn was short only of the 1899 record. Twenty years ago, the total value of exports and imports of commodities did not reach more than forty million yen: this last year it touched the three hundred and forty millions. China had nearly seventy millions of the exports, and fifty millions of the imports. Hongkong received nearly thirty millions worth, and sent about two and a half. The lion's share of Japan's imports, about seventy-five millions, were sent by Great Britain, British India coming next with a little over sixty-five, while America had fifty-seven and a half millions. America made up for this by taking over a hundred millions of Japanese exports, to which China and France were poor seconds, while England's share, exclusive of the Colonies, was only about seventeen and a half millions. Thus, while America beats Europe in the exports, and Europe is ahead in imports, Asia beats both under both headings. Private deposits in the Bank of Japan are still at their high water mark, while Government deposits in January were higher than ever before, nearly forty-five millions. The Post Office savings of the people show a steady annual increase of several millions, the figure in March standing at over forty millions. Curiously enough, the rates of interest have been often considerably higher, and were only slightly lower in 1903. The average prices of chief commodities have gone up very noticeably since the middle of last year. The building of railways appears to have continued uninterrupted, at the rate of about three hundred miles a year for the last four years. The earnings went up correspondingly. The tonnage of steamers has swollen from a hundred to a hundred and fifty each year. There are no figures for 1905, but to judge from the newspapers, there should have been a more than normal increase lately. The population continues to grow, the average increase per cent. being nearly one and a quarter. The population per square *ri* (nearly six square miles) at the present time is 1,928. The population of Taiwan (Formosa) grows much more rapidly; and in proportion to area is nearly now as great as in Japan proper. The foregoing figures are all taken at a glance from the various excellent and pretty diagrams before alluded to. On a future occasion, we may enter into a closer analysis of the figures given in less attractive tables.

Three coolies were charged before Mr. G. N. Orme at the Police Court on July 6 with assaulting a fourth near the German Club on Tuesday night. The complainant, who is a Hakka man, had just let down his fare, and was removing his chair to the side of the street, when one of the defendants, a Cantonese, called out, Beat the Hakka man. Immediately the defendants set upon him with bamboos, and inflicted a scalp wound about four inches long, and minor injuries on the body. The first defendant was fined \$15 and the second \$25, and they were each ordered to pay \$2 compensation. The third defendant was discharged.

HONGKONG JOTTINGS

3rd July.

The Chief Justice has not been long with us, but the Colonial Office List makes us familiar with his public service and enables us to feel that the honour of knighthood conferred upon Mr. Pigott by His Majesty the King is a deserved mark of appreciation. Sir Francis was employed by the Foreign Office on special service in 1887; he subsequently became legal adviser to the Prime Minister of Japan; then Secretary to Sir Charles Russell (when he held office as Attorney General) during the Behring Sea arbitration; and afterwards was successively procurator-general and Chief Justice at Mauritius until his appointment to Hongkong. Sir Francis is known to the legal fraternity also as author of "Foreign Judgments," "Services out of the Jurisdiction," "Extraterritoriality" and "Law of Torts." It is quite in accordance with precedent that appointment to the Chief Justiceship of Hongkong should be followed by knighthood. I do not know whether every holder of the office has entered upon his duties a plain "Mr." and left it a knight, but it has certainly been so in the majority of cases.

The conferment of the Imperial Service Order on Mr. A. Seth, the Registrar of the Supreme Court, is also an honour which the community will regard as well-merited. Mr. Seth has been in the public service of Hongkong since 1868, when he was appointed Hindustani interpreter at the Magistracy. Entering the Colonial Secretary's office as third clerk in 1872 he had risen to Clerk of Councils and Chief Clerk by 1881. Since then he has filled various offices with credit to himself and satisfaction to the Government. Called to the bar at Lincoln's Inn, in 1893, he was appointed deputy-registrar and appraiser of the Supreme Court in 1895, and about a year ago succeeded to the higher position. The Imperial Service Order is no cheap distinction. Only three other old public servants of this Colony are Companions of the Order, namely Mr. Charles Ford, late Superintendent of the Botanical and Afforestation Department; Mr. Bruce Shepherd, land officer; and Captain Rumsey, R.N., late Harbour Master. The Hongkong community have also learnt with satisfaction of the conferment of this honour on Mr. James Scott, the Consul-General at Canton, who has spent thirty-two years in the Consular service in China. I need hardly say that since he has been at Canton, Mr. Scott has rendered signal service to British commercial interests and he is one of the most popular officials in the Consular service.

There is never any complaint to be made respecting the P. & O. mail service to the Far East; it works with the greatest regularity. The last English mail reached Hongkong in 26 days, and I suppose we may in future look forward to the English mail arriving here on a Wednesday as a regular thing. Four new mail steamers of 8,000 tons, required chiefly for the accelerated mail service between India and China, are expected to be at work at an early date. This will probably enable the P. & O. Company to recover some of their lost passenger traffic. I note also that two new cargo steamers of 10,000 tons—named the *Poona* and the *Feshawur*—are now on the Eastern run. Englishmen in the East will cordially welcome these signs of enterprise on the part of the P. & O. Company.

A Singapore contemporary mentions a simple but extremely useful invention to which I have pleasure in drawing the attention of housekeepers here. It is a contrivance which can be attached to a wardrobe to keep its contents dry. It is called the "Hollen Krieger" and consists of two short lengths of gas piping so fixed that they pass through the wardrobe, one end projecting through the top, the other through the side, to which end is attached a metal funnel under which a lamp stands. The heat from the lamp warms the pipes and radiates through the wardrobe, and although sufficient to dry all clothes placed therein, is not enough to singe any article coming in contact with the piping. These contrivances ought to sell in Hongkong like hot cakes.

At the conclusion of the Legislative Council meeting on Wednesday His Excellency the Governor expressed the hope that it would not be necessary to call the Council together again until the Estimates are ready. The Estimates are usually laid before the Council in September. It may be inferred from this that the negotiations at Peking in reference to the Kowloon-Canton railway are not expected to be concluded for a few months yet. At the previous meeting of the Council His Excellency stated that before any agreement with the Chinese Government is made binding on that of this Colony, it would be submitted to the Council.

BANYAN.

SUPREME COURT.

Friday, 30th June.

IN BANKRUPTCY.

BEFORE SIR. F. T. PIGGOTT (CHIEF JUSTICE).

YIN FOOK EXPARTE WONG HIP TONG.

In this case Mr. R. Harding appeared for the petitioning creditor, and applied for a receiving order. The defendant, who had carried on business at 269, Des Vœux Road, owed his client \$2,000 on a promissory note. The debtor had suspended payment, and had attempted to defeat and delay his creditors by leaving the Colony.

His Lordship—How do you show that he attempted to defeat and delay his creditors?

Mr. Harding—It is for him to show what his intention was.

His Lordship—Did he leave the Colony since the petition?

Mr. Harding—Certainly.

His Lordship—Then it would not be an act of bankruptcy. The act of bankruptcy must be committed before, so as to be a ground for the petition. I do not see sufficient in the affidavit at present. The second ground is that he suspended payment?

Mr. Harding—He gave verbal notice.

His Lordship—The affidavit does not show that.

Mr. Harding—I have the petitioning creditor, and can put him in the box.

His Lordship—I can quite understand a petitioning creditor being put in the box to prove what is set out in the petition but not to supplement it.

The application was not granted.

His Lordship—If you want to have leave to amend you can have it now.

Mr. Harding—I shall have to reserve the petition.

RE THE CHING HOP FIRM.

In application No. 32 Mr. P. W. Goldring appeared for the petitioning creditor, the case being the Ching Hop firm exparte Leung Siug Wo. The petitioning creditor not being in Court, His Lordship proceeded to application No. 35, the Ching Hop firm exparte Siemssen & Co. and others. In this case Mr. F. B. L. Bowley appeared for the petitioning creditors. An interim receiving order had been granted at a previous application, in respect of application No. 32.

Mr. Goldring stated that though he had appeared for the petitioning creditor in No. 32, he appeared for the debtor in No. 35, and opposed the receiving order.

Mr. Bowley stated that the petitioning creditors in No. 35, for whom he appeared, were 20 in number, and their claims aggregated \$107,264.13. The debtor firm had carried on business at 183, Wing Lok Street. Notice had been given of the suspension of payment of the firm's debts, the principal partner had absented himself from the place of business, and, it might be added, a steamer belonging to the firm had been mortgaged for \$1,500 which would have been fraudulent if a receiving order had been made.

His Lordship—Are these proceedings authorised by the principals?

Mr. Bowley—A petition can be made by a person having knowledge of the facts.

His Lordship—It must be presented by a creditor. Suppose the compradores acted without the knowledge of the principals? I quite understand the position of compradores, but there must be some sanction from the principals.

There must be something on file to show that the creditors authorised the petition.

Mr. Bowley produced written authority from the principals and then said that one partner had not been seen since the 8th June by any of his clients who had been looking for him. He applied for a receiving order.

Mr. Goldring on behalf of the debtor opposed this.

Mr. Bowley—You have no right to appear, not having given me two days' notice.

Mr. Goldring—I am only objecting to the form of the petition. The petition must be signed by the petitioning creditors, which it is not. The compradores have signed this.

Mr. Bowley—The rule which my friend has cited does not apply to proceedings of this Court. His Lordship held that it did.

Mr. Bowley showed that four of the signatures were those of principals, and asked leave to amend the petition by striking out the other sixteen names.

Mr. Goldring objected to this, saying that if His Lordship held that the petition was bad, re-service was necessary.

His Lordship notwithstanding Mr. Goldring's objection allowed the amendment.

Mr. Bowley called a witness who proved, to His Lordship's satisfaction, that the debtor had committed acts of bankruptcy. Mr. Bowley then again applied for a receiving order.

Mr. Goldring further objected to this on the ground that as an interim receiving order had been granted in No. 32, a receiving order could only be granted in No. 32. On behalf of the defendant, and with reference to costs, he would state that his friend had taken wholly unnecessary proceedings, the property being protected by the interim receiving order.

His Lordship said it was clear there would have to be a consolidation, and Mr. Goldring could, when this was before the Court, proceed with his argument in this direction. His Lordship would fix a date, and then all would be straightened out.

This was agreed to, the case being adjourned.

Mr. Goldring stated that his former client, the petitioning creditor in No. 32, had instructed Mr. C. E. H. Beavis to appear for him when the case came on, while he (Mr. Goldring) would appear for the debtor.

His Lordship assented.

PUBLIC EXAMINATION.

Colin McCreary, petitioning debtor, was examined—I am assistant to Watkins, Limited, the chemists. I am indebted to the extent of a little over a thousand dollars. I filed my petition last year when I found I was unable to pay my debts. Two creditors pressed me, one being a Mr. Crapnell. My salary at present is \$125 per month. I got in difficulty by taking a house, and the expensive cost of living at Hongkong. The rent was \$100 a month. That was in January, 1904. I had been in the Colony a few months previously. I am a married man. In November last year I borrowed \$300 and gave a promissory note for \$480. It was for twelve months. My wife's mother and sister lived with me. I have offered a composition to my creditors of 25 per cent cash. I have shares in an ice company which are worthless. They cannot be sold.

The examination was closed.

Monday, 3rd July.

IN SUMMARY JURISDICTION.

BEFORE MR. A. G. WISE (PUISNE JUDGE).

LEUNG TAK V. TREYEE CHUN WA FIRM.

In this action Mr. R. A. Harding appeared for the plaintiff and Mr. P. W. Goldring for the defendant. It was a claim for \$267.53 and costs, balance due on account of gunny bags supplied.

His Honour—The amount has been paid into Court.

Mr. Goldring—The amount was paid in to stay the proceedings. There was to be a cross action.

His Honour—You have admitted your liability.

Mr. Goldring—No, My Lord.

His Honour—It was because you were going to bring a cross action, which you have not done.

Mr. Goldring—I was going to bring a cross action when the things came back from Newchwang. The money was paid into Court because you made this a term for postponing the action.

His Honour—No, because you were going to bring a cross action.

Mr. Goldring—The goods delivered were not according to sample. We paid for them before they arrived at Newchwang. I am going to bring a cross action for the return of the money.

His Honour—You cannot bring an action for the return of the money till you have paid it.

Mr. Goldring—I have paid a good deal. I never would have paid the money into Court if I had known this.

His Honour—I think I can only give judgment against you, and you can apply for an order to stay execution.

Mr. Goldring—I am willing to contest this case now.

His Honour—I do not see how you can say on the one hand "Yes I owe this money" and on the other say "No, I do not." Yours is not a cross action, but a claim for damages.

Mr. Goldring—I should like to have these two cases tried together; my man has been away a good many weeks.

His Honour—He may be away a good many more weeks.

Mr. Harding—This is the seventh occasion that this has been before you.

Mr. Goldring—I submit you cannot decide this action.

His Honour—I submit you cannot deny the debt; you had better not put your man in the box. It is quite certain you have made a mistake; you must have misunderstood me.

Mr. Goldring—Will you stay execution till the original action?

His Honour—No, for a fortnight; and grant an extension if there are reasonable grounds.

KING ON TONG V. THE HING LEE FIRM.

Mr. R. A. Harding appeared for the plaintiff, and Mr. O. D. Thomson for the defendants, who carry on business as ship compradores at 39, Des Voeux Road; \$500 being the amount of share money repayable by the defendants to the plaintiff on the 7th June, 1905, under an agreement signed by the defendant on the 26th March, 1905.

The plaintiff explained that in the defendant shop there were four partners including himself, Leung Lai Chuen being the managing partner. Having previously received a communication, plaintiff went to the defendant firm on the 16th September, 1904. Leung Lai Chuen said the business was doing well, and plaintiff agreed to join it as a partner. He subsequently, on the 17th September gave \$500 to Wong Fai Ting, accountant in the defendant shop, for him to give to Leung Lai Chuen, partnership money. In giving a receipt Leung Lai Chuen put down plaintiff's wrong name, and plaintiff got him to correct it. Then the plaintiff went to the country for a short time, and on his return went to the defendant firm and asked Leung Lai Chuen for the partnership book. He did not get a partnership book before that, so went for one. Leung Lai Chuen did not give him one, because, as he said, the shop affairs were not settled. Plaintiff subsequently applied for a balance sheet, but Leung Lai Chuen said it was not ready. Plaintiff waited a week and then asked again and, not being shown any balance sheet, said he would not be in the business. All the partners were then present, and when plaintiff spoke about his capital the other partners said they would take over his share from him. Plaintiff agreed to that and it was arranged that the amount should be paid back on the 7th June, a stamped document being given to that effect. On receipt of this document plaintiff returned Leung Lai Chuen his receipt. On the 8th June plaintiff went and applied for the money, but Leung Lai Chuen said he would not have it for a few days. Plaintiff later sent a registered letter, receipt for which was produced. Plaintiff said he received no answer.

Mr. Thomson said that this had never been received.

Cross-examined, plaintiff said he bought goods for customers in the country. His father, who died ten years ago, owned a pawnshop, which

was now shared by himself and his brothers. His salary from this was \$5 per month, and profits were divided every year. His father was named Chay Kin Tung, and plaintiff's name was Chay Kin On. He called himself King On Tong so that his brothers would not recognise him. The property was not yet divided. There were no other members of the King On Tong, a name invented by himself, his brothers being members of the Tun Loong Tong. Plaintiff called himself King On Tong to separate himself. The father left about \$30,000, the \$500 being part of that, \$500 out of his share of the yearly divisions.

Mr. Thomson—I admit we had the money and gave a receipt for it, but we did not get the money from this man.

Mr. Harding called Wong Fai Ting, the accountant. This man had left the defendant shop.

The case was adjourned.

Tuesday, 4th July.

IN BANKRUPTCY.

BEFORE MR. F. T. PIGGOTT (CHIEF JUSTICE).

RE THE CHING HOP FIRM.

In bankruptcy case No. 35 Mr. F. B. L. Bowley appeared for the petitioning creditors. Originally this case was the Ching Hop firm *ex parte* Siemssen & Co. and others, but at the previous hearing the Chief Justice ruled that the petition would have to be amended because in sixteen out of the twenty instances the signatures on the petition were those of the compradores or other than the principals. Mr. C. E. H. Beavis appeared for the petitioning creditor in action No. 32, the Ching Hop firm *ex parte* Leung Sing Wo, and others. Mr. P. W. Goldring appeared for the debtor.

Mr. Bowley applied for consolidation.

Mr. Beavis raised a preliminary objection under Rule 27 of the home ordinance.

Mr. Bowley—I submit it is not in force.

His Lordship—Let us hear the objection.

Mr. Beavis went on to say that he had only received one day's notice instead of eight. He did not, however, press that point. What he did object to, though, was that there was no affidavit in support of the motion. He should have time to prepare his objections.

His Lordship—Anything can be done by leave of the Court.

Mr. Beavis—Yes, in a formal defect, but this is more than a formal defect.

His Lordship—If it is necessary to have an affidavit I will, but if I can take evidence I shall.

Mr. Bowley—Both Mr. Beavis and Mr. Goldring keep on referring to these home bankruptcy rules and they are not in force. The Chief Justice has power to make rules, which unfortunately have not been made, and we have no rules to guide us.

His Lordship—I will consider that in chambers. Go on.

Mr. Bowley explained that in making this application he was relying on the affidavits and petitions on file. To begin with any creditor was entitled to make a petition subject to the rules of consolidation. His friend's petitions were friendly and such friendly petitions are allowed to be withdrawn.

His Lordship—There has to be a very searching inquiry.

Mr. Bowley—I am trying to show our grounds for presenting a second petition. At present I am representing four petitioning creditors, but you have it on file that these represent the bulk of creditors.

His Lordship—What you really want is the calens of the proceeding.

Mr. Bowley—Yes, and it must be in your Lordship's knowledge that I represent the bulk of the creditors.

His Lordship—I do not know that now; the petition has been amended.

The matter was then entered into, and it was discovered that Mr. Bowley's four clients' claims aggregated \$10,000, whereas Mr. Beavis' client's claim was approximately \$30,000. His Lordship decided against Mr. Bowley on this point.

Mr. Bowley—I submit, then, that it is not right for my friend's creditors to shield the debtor from other creditors.

His Lordship—That seems sound. Your real ground, then, is that the creditor in 32 is acting in order to shield the debtor. But you must explain to me how he can do it.

Mr. Bowley referred to the debtor's affidavit of the 23rd June, in which it was stated how the debtor was pressed by the Compradore of Messrs. Meyering and, as a result of this pressure, gave the Compradore a delivery order to take goods out of the godown. When they went there they found a number of other creditors who refused to allow them to take delivery of the goods. The creditors all then went to the debtor's shop to see the account books which, however, had been taken away by one of the creditors. The debtor was then taken to the Police Station where he was detained for the night.

His Lordship—What was he doing there. The Police Station should not be used to force people to pay their debts. It may have an important bearing on whether they should be allowed to have the carriage of the proceedings.

Mr. Bowley went on to say that the debtor then lived above the office of Messrs. Brutton, Hall and Goldring, so that they might get him to see the Official Receiver when required. Other affidavits were referred to, and Mr. Bowley pointed out that all that took place was not between Messrs. Brutton, Hall & Goldring and the debtor but between their interpreter and the debtor. He submitted that the interpreter was much exceeding his authority in removing the debtor's books so that the several other creditors should not see them. We are entitled to see them.

His Lordship—"How is a man entitled to go into another man's shop and see his books? The proper way is through the Bankruptcy Court. Is there any particular harm in one creditor taking the part of the debtor?"

Mr. Bowley—I submit that the debtor should present the petition himself. Every debtor is entitled to the protection of the Bankruptcy Ordinance, and I submit the proper way to get it is to file a petition himself.

His Lordship—Is that laid down. It seems rather a curious proposition.

Mr. Bowley—That would be the straightforward way.

His Lordship—There seems to have been a regular mob and they exceeded their powers. You must make a very strong case against the first creditor who filed his petition, because the Court itself will protect the creditors, and it does not matter who has the carriage of the machinery. I cannot understand your action. There is nothing in removing the books to his solicitors. It is one of the advantages of our profession and covers a multitude of sins. The proceedings were done by a Chinese interpreter in a solicitor's office. Is he the Managing Partner?

Mr. Bowley—No, my Lord. I do not admit that. He is not a solicitor. No interpreter is the proper person to manage the business. It would be very dangerous.

Mr. Beavis—The solicitor has to take all the responsibility, but the interpreter does manage the business to the extent that he goes to see the Chinese.

Mr. Goldring—The position, really, is that of a compradore.

Mr. Bowley said that he alleged that the creditors had been affected by the books not being carried over to the Official Receiver at once. The Chinese Custom is that creditors at once take the books before the debtor has time to alter them.

His Lordship—If you can prove that the books have been tampered with then you have a case.

The Court held that the calens of the proceedings should remain with the original creditor.

Mr. Bowley then applied merely for consolidation.

Mr. Beavis opposed this saying that his friend's petition should never have been placed on file. The estate was already protected by an interim receiving order.

His Lordship said he could not consider that question then but would reserve the question as to costs. He consolidated the petitions leaving the calens of the proceedings with the petitioning creditor in No. 32. The case was fixed for Thursday next.

IN ORIGINAL JURISDICTION.

QUESTION OF OWNERSHIP.

The Chief Justice gave judgment in the case where both Lam Tung and the Nam Loong firm claimed the same money, \$2,600. Mr. H. E. Pollock, K.C., instructed by Mr. Dixon (of Mr. John Hastings' office), appeared for Lam Tung, plaintiff, and Mr. H. N. Ferrers, instructed by Mr. J. Hays (of Messrs Johnson, Stokes and Master), for the Nam Loong firm, claimants. The money in question was taken off the person of one Chow Kwan, whose extradition was applied for by the French authorities at Saigon, and it has since remained in the custody of the Authorities at Hongkong. The plaintiff, a ship's cook, alleged that he had handed the money to Chow Kwan during bad weather on the passage up from Saigon, while the claimants submit that the money was that stolen from them at Saigon by Chow Kwan.

His Lordship said:—This case was tried before me without a jury. It was essentially a jury case, and I should have preferred to have had the questions decided by a jury. I have taken the greatest pains to arrive at the truth; and I shall avail myself of the fact that in this Colony the verdict may be by a majority, a fact which may indicate to the successful party how near he has been to losing his case, to say that I feel very like a jury must feel which has brought in a verdict by a bare but legal majority. My anxiety has been naturally increased by the fact that the plaintiff only sues as bailee; the rights of other parties may therefore be in issue, and I know no means of giving a judgment which should protect their rights: if for the plaintiff, to ensure their getting the money; if for the defendant, to protect them in case, owing to the weakness of the evidence, the judgment should do them an injustice. I must, therefore, do the best I can with the material before me; and I propose to analyse the evidence at the same length as I should if I were summing up the case to the jury.

There is undoubtedly an inherent improbability about almost every detail of the plaintiff's story; but the initial improbability is met in some measure by an admission by the defendant that it is the practice of Chinamen to transmit money by hand, as it is alleged was done in this case; and when once that is admitted, it is difficult to say that what is alleged to have happened did not happen. But, says the defendant, this custom does not extend to large sums of money. That, however, is not a very stable hypothesis to go upon.

There is a further admission that as to one of the sums \$20, this plaintiff was probably entrusted with its delivery as he alleged. This amounts virtually to an admission that judgment must go for the plaintiff for at least \$20. This admission has further important consequences, which I will consider in due course.

The case being an interpleader issue, in which the question is whether either or which of the parties claiming the money in Court, is entitled to it, each party has a constructive as well as a destructive burden cast upon him. The plaintiff has adduced a considerable amount of evidence. The defendant has endeavoured to shake this evidence. He has, however, been unable to produce any positive evidence in support of his own case, but relies on the usual assumption that money found on a thief after a robbery of money, forms part of it. There had been an extensive robbery of money, bank notes and silver, from the defendant's premises in Saigon. I am disposed to think, though the evidence is not much more than an assumption, that there was a pursuit of Chow Kwan by the police for some days. He certainly was tracked to Hongkong; his extradition was demanded, and he was found guilty in Saigon of the robbery. On the whole I am disposed to think that the assumption can be applied to the bank notes found on Chow Kwan in Hongkong, although there is no mark on them by which they can be identified. But even then, the assumption only holds good in the absence of proof of property in another person; which is precisely the question here. This assumption, therefore, does not carry us very far, unless the plaintiff's case breaks down completely.

Now, the plaintiff's case depends on how far the evidence he tendered has survived attack;

and how far the inherent improbabilities of the case are propped up by so much of the evidence as remains unshaken.

The main attack on the plaintiff's case was directed to shaking Kwong Sung's evidence. And here I must notice that the original position taken up by the defendant was that Kwong Sung was an impostor, and had never been to Saigon. This could not be maintained, and was wisely abandoned. The cross examination of the man was directed to testing his knowledge of Tai On in Saigon; and I cannot say that, making due allowance for his being an illiterate man, he completely failed in showing some knowledge. The defendant thereupon took up another position: that the man knew Tai On superficially and in a manner consistent with casual visits, but not with prolonged residence for 15 years. He answered some questions, but not others, satisfactorily. The new position assumed by the defendant is a possible one; but at the same time the partial admission, like the other admissions, renders the decision of the case all the more difficult. With regard to this witness another consideration arises. His bona fides could have been tested by evidence from Saigon. Only one witness, Lan Ping, was called; and it cannot be said that he advanced the case in any way. The special facts on which evidence was required were not within his knowledge. The answers to two questions put to the French authorities in Saigon, would have disposed one way or the other of this witness, Kwong Sung and probably also of the whole case. I suggested that these two questions should be put to the French authorities:—Had a permit of residence been granted to Kwong Sung? Had a person of this name been a shipbuilder for 15 years in Tai On?

The Court not having any inherent power to issue letters of request, I suggested that they should issue by consent. The plaintiff refused; his reason being an idea that the influence of the Nam Lung firm in Saigon is so great that the answers could not be relied on. This is not a very satisfactory ground of refusal, as I had indicated that the questions would only be put to French officials, and they were such that they would have been answered from the official records. At the same times the plaintiff's advisers were within their rights; and in the face of the evidence the burden of disproof fell upon the defendants.

Here I must deal with the fact that the Judge in Chambers had refused the defendant's application for a commission to gather evidence in Saigon. I use the expression "gather evidence" advisedly. The application was for a commission "for the examination at Saigon and at such other places in Annam or French Indo China as may be necessary of witnesses resident or carrying on business at Saigon or elsewhere in Annam or French Indo China." I certainly sympathised with the defendant in not having evidence from Saigon; but having regard to the reviving nature of the proposed commission, it is more than likely that a mass of evidence would have been taken and expense incurred; whereas as events turned out, the very smallest amount of evidence was necessary. The defendant should have adopted the more inexpensive procedure, and himself have taken out a summons for letters of request to issue to the French Courts. I am, therefore, put into the position of having to decide a case by inference: an unsatisfactory task, and more especially so, seeing that the facts crucial to the decision could have been ascertained, by the defendant, before trial, or, by the plaintiff consenting, during the trial.

In considering the inherent improbabilities of the plaintiff's case, there is one to which attention was not called during the trial, but which arises out of a question put in the cross-examination of the plaintiff. It seems inherently improbable that so large a sum as \$300 should have been given to the plaintiff to carry to Hongkong in silver: 300 dollars would be a heavy weight to carry about. The point requires some careful consideration. From the letters themselves, we get the following facts:—

From No. 1—That \$1,500 was in notes "to be handed to Lam Tung."

From No. 2—That \$500 "outside" (that is "outside the envelope") was "to be handed to Lam Tung."

From No. 3—That \$300 "in foreign money" was "to be entrusted to Lam Tung."

From No. 4—That there was \$280 "in foreign money."

From No. 5—That there was \$20 "outside." From the evidence of Lam Tsai in the Police Court the \$300 of No. 3 was in notes.

I do not think it possible to imagine that of the \$500 to be handed to Lam Tung with letter No. 2, \$100 was in silver.

The plaintiff's story of the \$300 in silver must, therefore, mean that the writers of Nos. 4 and 5 gave their money to Lam Tung in silver.

The \$20 of No. 5 may have been given "outside" the envelope in silver.

The improbabilities with regard to the \$280 of letter No. 4 being in silver are reduced to this—On the one side the fact that in the letter there is a reference to "foreign money," which seems more applicable to notes sent with a letter; though the changing of the silver into notes may have been done with the knowledge of the sender. On the other side this introduction of a reference to silver appears to be gratuitous, and an unnecessary complication to import into the facts of an already complicated story. If it was introduced for the purpose of *raisemblance*, it was part of a very deep laid and carefully thought out plot: for this independent examination shows that the details fit in in a somewhat remarkable manner.

I do not think that the plot, if plot there was, has been thought out in a careful manner: on the contrary, looked at as a plot, it was very clumsily executed. The plaintiff's counsel was obliged to admit that the very weakness of the story attached to No. 4 letter, constituted an element of strength for the case generally.

I come now to the question of who wrote the letters. The evidence is quite sufficient to show that Nos. 1 and 4 were written by the same person: this is derived from the opinion of the translator of the Court as to the similarity of the writing, and from the similarity, if not identity, of the chops used on these letters and envelopes. Kwong Sung said that his letter—No. 1—was written for him: by the accountant Awoon: afterwards, he said, by Pung Knock, a relative of Lamon. Lamon was the alleged sender of letter No. 4—with \$280. There is, therefore, a scintilla of fact to account for the letters Nos. 1 and 4 being written by the same writer.

With regard to the other letters, there is nothing to warrant any suggestion that they were written by the same person. The more they were examined, more especially with reference to identity of expression used in them, the more it seemed to be established that they were written by different persons. This is specially noticeable in connection with the phrase "receive according to the amount" which, in some form or other, occurs in all of them. Mr. Li Hung Mi was called by me specially as to this point, and his evidence, together with the evidence of other witnesses, shows that there were at least three writers of the four letters. Nothing very definite seems to result from this to favour the defendant's destructive case.

I now come to the question as to how the 26 \$100 notes were given by the plaintiff to Chow Kwong. The material parts of the evidence on this subject are as follows:—

Lam Tung says—I had 26 \$100 notes. I wrapped them in a red silk handkerchief and tied it round my waist: it was put in my girdle. I took out the money and gave it to Chow Kwan asking him to take care of it. I said "plenty of money," but did not mention a specific sum. It had 26 \$100 notes. This is textually from my note. It is not quite coherent, but it is made clear by the evidence of Chow Kwan, taken *de bene esse*. He says:—He (Lam Tung) gave me some money wrapped up in a red silk handkerchief. He said there was money in it, and asked me to take care of it. On receiving the parcel of money from Lam Tung I untied my girdle. I took out my own bank notes and put them on the handkerchief and rolled them up together. I never saw Lam Tung's notes and did not know how many there were. I kept the handkerchief with all the notes in it until I got to Hongkong. The two men then appear to have gone to a boarding house. "At this time" he adds "I was carrying the money on my person. I offered to return the money to Lam Tung: he said it would do after we came back from drinking tea." On their return to the boarding house he has a bath prepared, and then follows his arrest. In cross-examination

he said "He told me the package contained bank notes."

It seems to me quite clear that if the story is true, Lam Tung's notes never left the red silk handkerchief in which they were wrapped up; and that when Chow Kwan was searched they should have been found in that handkerchief. There is nothing in Sergeant Wildin's evidence to show that any of the notes were wrapped up; it would have been the duty of that officer to have recorded the fact if they had been. He is away on leave. I, however, called the Chinese detective who was present at the search; he said that the notes were shaken out of Chow Kwan's girdle, and that they were not wrapped up in anything. It appeared that he said "as soon as the cloth was taken out there were the notes." But when asked to explain what he meant, he said that he meant "the pocket" when he said "the cloth." He had previously said that the man's girdle was sewn up in the form of a pocket. It is very nearly a year ago since the occurrence; and the witness was asked to remember what took place on the spur of the moment. But what he said corresponded with the legitimate inference from Sergeant Wildin's evidence; and I come to the conclusion that the story of the notes being wrapped up in a red silk handkerchief has no foundation in fact. This is a serious discrepancy in the plaintiff's case.

To this must be added that the story told by Lan Tso, as to the reason why his brother Lam sent him the \$280, for the benefit of creditors, stretches credence to its utmost limits. There is no evidence at all to support the plaintiff's story as to the \$500 said to have accompanied letter No. 2.

I will now endeavour to sum up the improbabilities and probabilities of the plaintiff's case. The following tell more or less against it:—That the plaintiff should have been entrusted with so large a sum of money; That the man, who it is alleged, sent the largest amount should not have known more about Saigon than he did, due weight being given to the fact that the man is illiterate; That there should have been given so large a sum as \$300 in silver; That the red silk handkerchief in which the plaintiff handed his notes to Chow Kwong should have disappeared; That there is no evidence with regard to letter No. 2—\$500; That the story given as to letter No. 4 does not fit in at all with the letter.

The following tell more or less in favour of it:—That what appears at first hearing to be a fanciful story is admitted not to be wholly improbable; and that one small part of the story is admitted to be true; That the apparently irrelevant silver story, when tested, seems to be true; That there is a certain amount of evidence in support of four out of the five bailors or intended recipients of the money being the persons alleged; and again, that this evidence in the case of one of them is admitted to be true; That, for a plot, it is as clumsily put together as can well be imagined; That there is no direct evidence produced by the defendant to rebut the plaintiff's case, but only criticism and hypothesis.

I find it difficult accurately to determine the relative values of these different considerations; some of them are undoubtedly very serious; but having regard to all the circumstances of the case, I doubt if any one of them is sufficiently strong, as stated, to carry a verdict because it is at once met by something on the other side. There is one of them which requires still further analysis: the admitted truth of one part of the plaintiff's story.

I must now examine with more particularity the effect of the defendant's admission as to the \$20 story.

Twenty dollars were sent by Kwong Fu, in the Saigon, to Wo Cheong Firm in Hongkong. The envelope bore the correspondence chop of the Kwong Nam Wo Firm in Saigon. Independently of the admission, there was the evidence of Kwong Kam Cheung, the manager of the Wo Cheong Firm.

The effect of this admission, and I must say that I do not see how it could have been avoided, must be carefully considered. I do not see how it can be limited to the mere fact that the plaintiff received the \$20 from Kwong Fu to deliver to the Wo Cheong Firm. It seems to me that it must let in, so far as this \$20 is concerned, the whole of the plaintiff's story, including the most intrinsically improbable part of it, the handing over the money to Chow

Kwan on the steamer. I mean that the admission that the \$20 with its letter were handed to the plaintiff, must go to the extent of an admission that those \$20 form part of the \$2,600 in Court; in other words, as I said at first, it is an admission that judgment must go for plaintiff for \$20. But if it does this, it is difficult to resist the conclusion that it sheds a glamour of reality over the story in so far as the remainder of the money is concerned.

There is, indeed, much in the details and in the telling of this story, which resembles the other stories: there was a covering letter—this has, it is true, disappeared (in a manner which is not explained, but the envelope remains, and it is couched in similar language to that used on the other envelopes. And there was a similar passivity, so to speak, on the part of the witness with regard to the non-execution of the commission entrusted to the plaintiff, as in the case of the witnesses to the other stories.

The escape from this difficulty suggested by the defendant's counsel was, that the stories were concocted by the plaintiff and the prisoner for the purposes of the extradition proceedings in order to save him; and that after the proceedings were over, the letters were written, the plaintiff hoping to obtain the money for himself and his confederates. The discrepancies in the evidence, notably that given in connection with letter No. 4, were explained by the suggestion that the confederates had forgotten the contents of the letters when they came into the witness box. To this there is the obvious counter-suggestion: why should the plaintiff and the prisoner have limited themselves to the 26 \$100 notes? for the story, even if proved to the hilt, could not have saved the prisoner, who had still over \$600 on him. If it be said that \$600 were left so that that sum might appear to have been Chow Kwan's legitimate savings, as it was, in fact, alleged—that merely added a further complication to the defence, for the Court would have had to believe two stories instead of one. But the suggestion of concoction cannot be so easily dismissed: for the inherent improbability of the stories suggest of themselves the possibility of concoction. It must, however, be considered together with the admission as to the \$20 story. Starting with the hypothesis that this story is true, the possibility of fraud seems to work out in this way—That the plaintiff, at the Police Court, while he was endeavouring to obtain possession of the \$20, to which, on the hypothesis he was entitled, learned of the existence of the 26 \$100 notes. Then, working on his slender basis of truth, he proceeded to concoct four similar stories, working out the figures so as exactly to make up \$2,600. But the concoction of the stories, on this hypothesis, must have been by the plaintiff and his confederates, but without the assistance of the prisoner. How, then, are we to account for the similarity of the stories told by the plaintiff and the prisoner, who gave evidence in this case *de bene esse*? The answer may be that he heard Lam Tung's evidence in the Police Court. I do not think that this accounts satisfactorily for the identity, except with reference to one minute detail (the exact time at which Chow Kwan is alleged to have offered to return the money to the plaintiff) of the evidence of these two witnesses, and I think that this idea of the concoction must be rejected. The only hypothesis that I can see which would account for everything, is that there was a previous conspiracy between Lam Tung and Chow Kwan. The circumstance of the weather having been very rough precludes the possibility of this having taken place on the steamer; for, undoubtedly, if there was conspiracy, the letters were written at the time. The alternative is that they were written before the voyage began; and this is only consistent with the fact that the plaintiff was an accomplice with Chow Kwan in the robbery, either before or after the fact. This, so far as I am capable of analysing the case, is the logical result of the contention that the case was concocted and I have not sufficient evidence by far for me to warrant my coming to such a conclusion. Under these circumstances, if I were to give judgment for the defendants, although there could be no prosecution here for a robbery committed in Saigon, yet I should be bound to order the prosecution of the plaintiff for perjury. But the admission that part of the story is true, and that there was no conspiracy as to the

\$20, seems to show that this hypothesis cannot be adopted. I, therefore, hold that the plaintiff is entitled to recover the money in Court as bailee; and judgment must be entered for the plaintiff, with costs.

Mr. Ferrers applied for a stay of execution for eight days, to consider whether to appeal, and this was granted.

IN SUMMARY JURISDICTION.

BEFORE MR. A. G. WISE (PUISNE JUDGE).

KING ON TONG V. THE HING LEE FIRM.

This case was concluded. Mr. R. A. Harding appeared for the plaintiff, and Mr. O. D. Thomson for the defendants. The claim was for \$500, being the amount of share money repayable by the defendants to the plaintiff on the 7th June, 1905, under an agreement signed by the defendant on the 26th March, 1905.

Mr. Harding called the managing partner of the Wo Sun Chin firm, oil dealers, carrying on business at 8, Connaught Road West. He stated that his firm employed twelve or thirteen men, whereas the Hing Lee firm, judging from appearances, did a very small business. The plaintiff was in witness' employ, and took his rice, etc., at the shop. He was not, however, after wages, as he also had his own business. Witness had seen Leung Lai Chuen, the managing partner of the defendant firm, about the return of this \$500 to the plaintiff, and Leung Lai Chuen did not deny owing the money.

This closed the case for the plaintiff.

Mr. O. D. Thomson submitted that on the evidence for the plaintiff the defendants were entitled to judgment. What really happened was that Wong Fai Ting, formerly accountant in the defendant shop, was a partner in that shop, having contributed \$500 as share money. Then this man went and used the firm's correspondence chop on a bill to the extent of \$123.4, which he had no right to do, and was now putting the plaintiff forward as the partner so that he, Wong Fai Ting, would not have to pay the \$123.4, but get the whole \$500. In his evidence the plaintiff at first gave a wrong address, and there were several other irregularities. This share money was not in his own name, but in an assumed one. The plaintiff, indeed, had, he said, added a *Tong* to his "milk name," though why he wanted to found a *Tong*, Mr. Thomson could not see. He said his father's estate had not been divided.

His Honour—I do not know what happened in China; he might have stolen the money.

Mr. Thomson pointed out that the evidence was contradictory as to where the initial interview took place, and also as to the nature of the money handed over. The plaintiff admitted that he did not remember much about the transaction, and said he did not get a receipt for some time. The latter was a very curious omission for a Chinaman to make. Mr. Thomson did not know if His Honour desired him to call the manager of the defendant firm.

His Honour—Yes, the statement has not been contradicted. Chinese evidence is so very unsatisfactory.

Mr. Thomson—We admit we got \$500, but want to hand it to the right man.

Leung Lai Chuen said he was the managing partner of the defendant firm. The real partner in question was Wong Fai Ting.

His Honour—Are you willing to buy him out?

Witness—Yes, but I have not the money now.

His Honour—Well, why not give it to this man. Wong Fai Ting will go to gaol if he sues you.

Mr. Thomson—He is willing to pay \$500 to Wong Fai Ting after deducting \$123.4.

His Honour gave judgment for the plaintiff, staying execution till Friday.

Mr. Thomson—I ask you, my Lord, not to give costs.

His Honour—You have lost, Mr. Thomson.

Mr. Harding—Will you adjudge Leung Lai Chuen a partner in the Hing Lee firm?

His Honour—He has said so. I have it down.

Wednesday, 5th July.

IN SUMMARY JURISDICTION.

BEFORE MR. A. G. WISE (PUISNE JUDGE.)

"WHAT DOES A CHINESE EDITOR WANT WITH A BATHROOM?"

Chu Ling Kai, of 19, Jervois Street, journalist, sued Wong Lo Yat and Li Tai Sing, of 33 and 35, Gough Street, journalists, for \$771.50, damages done to some manuscripts of his and to clothing.

Mr. C. E. H. Beavis (of Messrs. Wilkinson & Grist) appeared for the plaintiff, and Mr. Holborow (of Messrs. Deacon, Looker & Deacon) for the defendants.

Chu Ling Kai, the plaintiff, said—I am a journalist, and was employed by Tam Sing Lum. This employment was to commence on the 3rd June. I went into the premises of the *Sai Kai Kung Yik Po* newspaper on that day, and had my goods placed in an unoccupied room. Next day, at about two o'clock, I heard a noise down below, and went to see what was the matter. I saw Wong Lo Yat and Li Tai Sing throwing my things about. I said, those things are mine; you should not break them. Articles were damaged to the extent of \$771.50.

Cross-examined—Before I was employed by Tam Sing Lum I was editor of the *Cheung Kwok Po*. I gave one day's notice. I returned from Japan several years ago, and have been a literary man ever since. The place where I put my baggage was "a room for washing faces."

Mr. Holborow—Did you know it was the bathroom of the old editor?

His Honour—A Chinaman!

Mr. Holborow—Yes.

His Honour—Ahem!

Cross-examination continued:—This room adjoined the editor's room. I did not know these two rooms were occupied by the two new editors. Tam Sing Lum said they were dismissed. I did not place my baggage there to "aggravate" these two editors, nor did I stack the goods against the door of their room.

His Honour—Your defence is, that the plaintiff was trying to "aggravate" the defendants?

Mr. Holborow—Things were put in the bathroom and were damaged by water.

His Honour—I suppose they were angered and went in and kicked them about.

Mr. Holborow—My case is that this man went there and put his things slap across the doorway, so that it was impossible to get into the room.

His Honour—Then the defendants should have removed them without damage. They had a right to put them out but not to cause unnecessary damage.

Mr. Beavis—Certainly, my Lord.

Mr. Holborow—But there is also the question of whether the defendants were the persons who damaged the goods. They were placed in the old editor's bath room.

His Honour—What does a Chinese editor want with a bath-room? I expect it was used by the whole family. It was a cubicle, I suppose, about as big as this desk. I do not think the things are worth much.

Mr. Beavis—He is a literary person and has spent years over the work.

His Honour—What the defendants did was very natural, and I do not say I should not have done it myself, but that does not say it was right.

Judgment and costs was given for the plaintiff against the first defendant. Judgment was given for the second defendant and costs. The amount of damage done was referred to the Registrar.

SAM CHOY BRICK, TILE AND TIMBER CO.

v. THE WING WO CO.

This was a claim for \$377, being the balance due for goods sold and delivered. Mr. Master appeared for the plaintiffs, and Mr. C. E. H. Beavis for the defendants.

Mr. Master said that the plaintiffs had been established in the Colony for a number of years, and did a large business. They had done an extensive business with the defendant firm. In 1902 a balance was struck of the amount owing to the plaintiffs by the defendants, and it was found to be between nine and ten thousand dollars. Since then various amounts had been

paid by the defendants and fresh goods ordered, till now the balance due was the amount claimed.

Mr. Beavis said that the defence was that in payments made in notes, according to the custom of the trade, a certain commission was allowed. The defendants had made payments, but this commission had not been taken into consideration. Altogether payments had been made to the extent of 15,000, and the commission on this amounted to \$300 odd; the balance due to the plaintiffs had been paid into Court. The rate of commission fluctuated according to the exchange rate allowed by the money changer. This custom had been upheld by His Honour. The case was adjourned.

Thursday, 6th July.

BEFORE SIR F. T. PIGGOTT (CHIEF JUSTICE.)

IN BANKRUPTCY.

THE LAI HING FIRM EX PARTE MA LEUNG PO.

This was a public examination by the Official Receiver. Ma Fat Ting, the managing partner of the Lai Hing firm said:—Our business was a gold-smith's shop and native bank. The partners I have given are Kwong Hey Tong, who is in the country, his other name being Kwong Lai Ting; Kwong Yu Tong alias So Yau Sai; Soon Lai Tong, who is in the country, his other name being Sam Che Wo; Mo Pua Tong, his other name being Lan Wai Chuen; Chen Ming Kee, who is at Penang, and myself. Those are all the partners. I am the only one at present in Hongkong. The business has been in existence some scores of years. I took it over in June or July 1898, from Wong Ka Chuen, as a going concern, with its assets and liabilities. The shares originally were Tls. 100, taken over at Tls. 500. When we took it over it was a paying business. I had been employed there long before I took it over. The new partners subscribed a capital of Tls. 60,000. The gold-smith's business, dealing in gold leaf, was a profitable business, but the Lai Hing also did a large business in lending money. We received money on deposit. Some of it was used to buy gold leaf and some was let out on interest. The two accounts were not kept separate. We gave promissory notes as security for money. When people paid in money we did not take an account of where they lived. Some of these creditors are in the country and some in the coast ports. The money due to our creditors is \$988,416, the whole of which is due for money deposited in the bank. All these sums are entered in the books. The average amount of money received during the year amounted to one or two million dollars. I knew the bank was in difficulties at the end of last China New Year. At the end of the previous year, as at every previous year, there was a profit. After I found we were in difficulties, I did not receive or lend. In the twelfth moon we did not receive large sums on deposit. The amounts down were only renewals of notes after the interest had been paid. I told them we could not repay the notes. Our assets amount to \$1,200,000 odd, and liabilities \$998,416. Our assets are in excess of our liabilities but we cannot get in the money out while the creditors are pressing. Some money is lent on security, at the Wai On Sang, \$215,000. There is security for this on a contract, on sale of Marine lots 49 and 50, 138 and 129. By this contract I agreed to buy this property for \$215,000, and paid \$25,000 as a deposit, purchase to be completed in July, 1907. I knew that the property was used as security for Liu Wai Chuen, as compradora of the Hongkong and Shanghai Bank. The \$190,000 which was to have been paid in 1907 was paid on the 15th May, 1904, a few days after the contract was signed. I did so because Wai Leung San wanted the money. I gave him the \$190,000 and in exchange he gave me a promissory note but I got no security. No deed has been drawn up. I did not ask a solicitor if it was all right. Wai Chuen and Wai Yuk both signed as witnesses and the property was handed over to me to collect the rents. I paid for the property subject to the bank's mortgage. I have sold one house to the Lai Fung for \$55,000. No deed was signed, only a note. That was last year. The \$55,000 was paid to me. I lent very large amounts to

the Wong Fung Company of Canton. It is the Wai Sing lottery for the whole of the Kwangtung province. Lau Kwo Shim, Lau Wai Chuen, Wai Loong San, Leung Seung Shim, Lo Chuk Chi and Wai Yuk comprise the Wong Fung. They buy the Wai Sing monopoly from the Chinese Government. The capital of this concern is \$1,000,000, subscribed by the partners mentioned. These last few years the Wong Fung have not had a good time, the places of examination having been changed, and there being fewer candidates to gamble. One amount lent to the Wong Fung was \$115,767. Last year we lent some hundreds of thousands, coming and going to the Wong Fung. It was a current account. I have promissory notes for the amount lent. The \$115,767 is in the current account; I have a note for an amount, \$196,840. The Wong Fung will pay back money. All the moneys advanced were the moneys of the bank. The Wong Fung paid me wages, having a share, a percentage of the profits.

The examination was adjourned for a week.

THE CHING HOP FIRM EX PARTE

LEUNG SING WO.

This was an application for a full receiving order, an interim receiving order having been previously granted. With this case was consolidated Case No. 35, in which petitioning creditors acted against the same debtor. Mr. C. E. H. Beavis (of Messrs. Wilkinson & Grist) appeared for the petitioning creditor, Leung Sing Wo; Mr. F. B. L. Bowley appeared for the petitioning creditors in No. 35, and Mr. Paget Hett for the debtor.

Leung Sing Wo, the petitioning creditor, said:—I am a trader living at 24, Lower Lascar Road. The Ching Hop firm is indebted to me in the sum of \$19,933.30. I asked them for payment on 7th June. I saw Li Wing, the master of the debtor firm, and asked him for the money. He replied that there was no money to pay anyone that day.

His Lordship—Is that a notice of suspension of payment?

Mr. Beavis—He can also prove that the debtor made a statement as to his assets and liabilities.

The petitioning creditor—I went again next day, on the afternoon of the 8th, to look for Li Wing Cho. I said "I hear that the foreign firms are weighing out your cargo; you must pay me my money." "At present I have not got the money," he said; "Weighing out" means that they wished to take delivery. The cargo was old iron and horse shoes in a godown. I said "You are letting the foreign firms weigh out all your cargo, and you will not have any to give me." He said: "I owe people \$160,000. I asked him the value of his goods, and he said \$50,000 worth, and people owed him money to the extent of \$70,000, of which he could collect \$30,000. I asked him if it would not be better to get the officials to divide and distribute it for him. He said nothing. I ask your Lordship to seize the property and divide it.

His Lordship—There is no notice of suspension, but that he was unable to pay his debts. The statement of the debtor that he was unable to pay his debts was not notice that he was going to suspend payment.

Mr. Beavis—The debtor is represented here, so there is no question of the debtor's anxiety.

His Lordship—All he says is "I cannot pay my debts."

Mr. Beavis—Suppose he says "I will not pay my debts."

His Lordship—Yes, that would be stronger. It is not that he would willingly go into bankruptcy, but whether what he says or does brings him there.

After long argument, His Lordship agreed to grant a receiving order, interpreting the reply of the petitioning creditor to the debtor thus:—If you press me, I shall have to suspend payment, because my assets amount to so much and my debts amount to so much.

There was some argument as to costs. Mr. Bowley did not press for his costs, but desired a consolidation having been granted, to have petition 35 on file.

His Lordship agreed to this, and as to the rest of the costs he said he would leave the matter to the Registrar, and if there was any difficulty the matter could be referred to him in chambers.

IN SUMMARY JURISDICTION.

BEFORE MR. A. G. WISE (PUISNE JUDGE).

SIN TAK YAU V. LO MAN HIN.

In this case Sin Tak Yau, trading as the Fuk Cheung firm, sued Lo Man Hin for \$1,000. Mr. P. W. Goldring appeared for the plaintiff, and Mr. H. W. Looker for the defendant.

Mr. Goldring said the only question was whether a certain sum of money, \$1,070 50, was paid by the defendant to the plaintiff. The defendant produced a chopped book for the money, but the plaintiff said the money had not been paid.

The plaintiff stated that he was a contractor, trading under the style of Fuk Cheung, at 9, Stanley Street. He knew the defendant who kept a piece-goods shop, the Sun Loong, at 59, Winglok Street. Plaintiff entered into a contract with the defendant for the pulling down of three Chinese houses at Temple Street, Yanmati. The contract was for \$7,250, all of which was paid except \$2,750, still due, and the defendant signed a promissory note for that. The defendant's book was chopped for the disputed amounts, \$1,070 50, but the plaintiff received no money. The defendant's son came and got him to chop the book saying that his father would pay the money, but he did not do so, and the son took away the book. Plaintiff went to the defendant for the money, but was put off, the latter saying that they were both traders and the plaintiff could trust him.

Mr. Goldring said there had been nine payments on account of this contract. In the plaintiff's cash book these particular entries were in new writing, in the plaintiff's hand, while the rest of the accounts were in the foki's handwriting. The defendant said that the plaintiff had been paid, but he did not keep proper accounts.

His Honour—At any rate, Mr. Goldring, it will be a lesson for him not to give receipts for money before it has been paid.

His Honour non-suited the plaintiff with costs, saying that there was not sufficient evidence to give judgment for the defendant with costs.

THE STRANDING OF THE
"TRAVANCORE."

CAPTAIN'S ALLEGED INCOMPETENCE.

A Marine court of inquiry into the stranding of the sailing ship *Travancore* at Fo Kai Point on the 1st ult., and into the charges of incompetence preferred by the crew against Captain W. G. Chamberlin, master of the said ship, was held at the Harbour Office on June 5. The following gentlemen composed the court:—Hon. Capt. L. A. W. Barnes-Lawrence, R.N. (President), Lt. Charles K. McCallum, R.N., H.M.S. *Tamar*, Captain H. Pybus, s.s. *Empress of Japan*, Captain St. John George, s.s. *Macquarie*, and Captain W. Robb, s.s. *Tuiping*.

Mr. C. D. Wilkinson (of Messrs. Wilkinson and Grist) appeared for the master of the *Travancore*, and Mr. J. Hays (of Messrs. Johnson, Stokes and Master) appeared on behalf of the owners of the vessel.

The President stated that the court had been formed in the first instance in view of a letter received from a man named C. Mitchell, representing the crew of the ship. He wrote: "As to why we should like an inquiry to be held in the stranding of our ship, is mostly on the neglect of our master and the officer to do anything towards the saving of the ship, and the handling of the ship before stranding and leaving port; also the way the master acted when the ship stranded, and while she was on the rocks."

Harold B. Metcalfe, second officer of the *Travancore*, was the first witness. He stated—I was officer of the watch from four to eight o'clock a.m. at the time the vessel went ashore. The wind was about E. S. E., and land was in sight since daylight on the port bow and beam. On the previous night the weather was thick and rainy, and there was no land in sight. The land sighted next day was about six miles off. I do not know what land it was, as I had no access to the charts. I was in sole charge of the watch up till the time the master came on deck, when he took charge. After the

captain came on deck he ordered the bell to be struck about ten minutes earlier, and on the crew coming out he sent them to breakfast, as he afterwards intended to put the ship about. The vessel was travelling about 2½ knots. We were on the starboard tack and carrying all sails except the royals. The watch on deck would have been enough to put the ship round if necessary. During the period I was in charge, the ship was sagging down on the land, and as I was getting anxious I went and told the captain. He replied that he would be up in a few minutes. About ten minutes later I went down again and told the captain that if the ship did not tack there wouldn't be room to wear her round. He came on deck about five minutes later to get the ship round. Everything, was done to wear her, but she refused stays. I previously gave the order to swing out the two life boats when the ship was about 50 yards from the rock. These were sufficient to carry all the crew. It took from four to five minutes to get the life boats off the davits. The captain was on the bridge when I gave this order. The boats were only lowered a short distance, and the rowlocks, etc., were got ready for use. I ordered the carpenter to sound the well, and found that the ship was making water.

To the President—It was not unusual for me, a junior officer, to issue such orders.

Questioned by Mitchell, the crew's representative, witness said—I could not say whether the Captain was under the influence of liquor or sober when we left Hongkong. When he came on deck at 7.10 a.m. on the morning of the 1st ultimo, he asked me what he had been doing the night before. I gave the orders to lower the boats, because there was no attempt made by my seniors to give such orders.

To the Court—There was no lead hove in my watch. The anchors were ready, but no orders were given to "let go" at the time. When I first sighted the land the ship was running parallel to it. I called the men away from the braces to get the boats out without consulting the chief officer. After the ship struck the captain gave orders to "clew up." I did not consult the captain or the chief officer with reference to any of the orders I gave.

To seaman, Mitchell—The course made by the ship from six to eight o'clock by the standard compass, dead reckoning, was N.E. by N.

To Mr. Wilkinson—I called the captain because there was land in sight at a distance of about six miles. At that time I felt no anxiety, and the captain stated that he would shortly put the vessel about. We were travelling at a speed of from two to three knots. During the last hour the wind continued steady to within half a point.

To Mr. Hays—I could see the rocks on which we stranded from four to five miles off.

W. C. Chamberlin, master of the *Travancore*, deposed—On the morning of the 3rd May we left Hongkong bound for Los Angeles, on the coast of British Columbia. We were in ballast and were towed out by three launches. About 3.30 in the afternoon the tugs cast off and we were able to make sail. The wind was variable. We set what sail was required and eventually sighted the Waglan light. This we lost sight of about midnight. When I saw it at a quarter to twelve it appeared to be about W. by S. The light was showing for about 20 miles. We were then on the starboard tack, and continued on the same till the time we went ashore. I sailed about seven points in the wind and was close hauled. We were making for the Bashee channel. After seeing the Waglan light I went below, leaving the mate in charge of the middle watch. On the course we were steering, I did not expect to make land before daylight in the morning.

The President—You expected to see land at daylight, and wished to be called on land being sighted, and yet you did not go on deck until about 7 o'clock.

Witness—I did not give any orders to be called.

Witness continued—On the morning of the 1st June everything was got right to go about. The land in sight I recognised as being Fo Kai Point. It was then eight o'clock and I sent the men to breakfast. We afterwards tried to go about, but the vessel missed stays. I considered then she was four or five miles off

the land. On missing I put the helm hard up. There was a strong tide running in towards the point at the time. The vessel swung with her bow on to the beach. I ordered sails to be clewed up and the stream anchor to be got out. A signal of distress was then hoisted, and a Chinese launch, the *Liking*, arrived. I made a bargain with the master to tow the ship off, and to take the boat's crew to Hongkong, there to obtain assistance. After striking the rock I sent a crew to Hongkong in one of the lifeboats for assistance. The boat started under sail and ours, under which conditions I expected she would take 24 hours to reach her destination. The *Liking* attempted to tow us off, but was unsuccessful. The rocks were on our port side, and we were swung in on them before we got the anchors out. About three o'clock in the afternoon, I ordered the men to furl the sail, but they did not care about doing this as they thought the masts would topple down; the ship at the time was bumping. There was, in my opinion, justification for their refusal to go aloft. When it got dusk I ordered the lifeboats to be got ready, and when they were launched the ship was bumping so violently that I told the crew to get into the boats. I was in charge of one, and the chief officer in charge of another.

The case was adjourned at this stage until after the tiffin hour, when Mr. Wilkinson informed the Court that Captain Chamberlin had fallen ill, and had to be removed to Hospital, so the next witness was called.

J. T. Roberts, chief officer of the *Travancore* sworn, stated—We left Hongkong about 6.30 a.m. on the morning of the 31st May. The pilot on the last tug left us about 1 p.m. We set the topsails before dinner, and after dinner we got anchors secured and set all sail. Between seven and eight in the middle watch the Captain came on deck and asked me why I set the mainsail and the top gallants; I set them on account of the scarcity of wind. We can set sails without first consulting the captain. When I left the deck at 8 o'clock the the Waglan light was in sight. I did not return to the deck until midnight, and as it was then all plain sailing, I did not communicate with the captain, neither did he come to deck. When the tugs left us and we made sail we were on the port tack. At 3 a.m. I put her on the starboard tack as the wind was E. by S. She was kept on the starboard tack until four o'clock when I was relieved by the second mate. About this time the captain came on deck and I informed him that the vessel was on the starboard tack and steering N.N.E. About 7.40 on the 1st June I was told by the second officer to hurry up and come on deck. On going up I found the men at their places and that they had tried to put the ship about, but she missed stays. Then the main cross-jack yards were squared, and an attempt was made to wear the ship. I was standing by ready to square the foreyards to ship about clear when I heard an order given to lower the boats. This was before the vessel struck. After the ship struck the captain gave the order to clear the sails up. The gig was sent in charge of the second officer and four men to Hongkong for assistance about 10 a.m. We then laid out a kedge on the starboard quarter with 5" hawser, and tried to haul off by this means. Not being successful a proposal went round to take to the boats for the night, and it was agreed to by the captain. We then went in the two tugboats and lay off the ship until about 2 a.m. of the 2nd June. During the afternoon of the 1st June a launch came alongside and tried to tow us off, but it was of no use. I sounded and found the forepeak had eight feet of water, but the ship was not making much. On the 2nd a Chinese revenue cutter the *Liking* anchored and stood by us. Order was given to set the sail on the mizen, but the men refused to do so by reason of the ship being driven further on shore. This occurred about 8 p.m. when the men came aft and said it was time to leave the ship. The mate said, all right you can go. The men then went in the two lifeboats to the *Liking* and I remained with the master. At 9.15 a heavy squall struck the vessel from the westward and heavy rain. This caused the ship to move her bows which were paid off by reason of the sail set on the foremast, and had sail been set as ordered on the aftermasts the vessel would have gone clear. As it

was she glided forward, but got hung up by the sternpost, and her bows swinging round, she became again stranded. The men were ordered to make sail in the mizzen, which this time they did, and shortly afterwards the vessel began to bump very heavily. The men then left the ship and I accompanied them, but the master refused to leave and remained on the poop. About 6 a.m. the mast stepped into the first boat that came alongside and went to the *Likin*, we laid off the ship and about 7 a.m. sighted the *Robert Cooke*. She came to our assistance, bringing the second officer and crew back from Hongkong. Hawsers of 4½" wire were then passed from the starboard bow of the *Travancore* to the *Robert Cooke*. As soon as the hawsers were made fast the crew again left the ship in the two boats without permission, and the master and I alone remained on board. The *Robert Cooke* then commenced to go ahead, and on the 3rd ultimo the vessel was cleared. After a consultation between Mr. A. A. In, first mate of the *Robert Cooke*, and our captain, it was decided to continue the towage of the *Travancore* to Hongkong provided the men could keep the water down by pumping. We were towed into Harlem Bay, where we anchored in four fathoms of water. When the ship was pumped she was towed to Hongkong.

To the Court—It took some three minutes to get the anchors clear for letting go. The ship's log was lost during the second time the boats left the ship. The crew are principally English and Irish. I had nothing to drink before leaving Hongkong. We were carrying stone and sand ballast. I cannot say that I have ever seen the master under the influence of drink. The rocks seemed to be about three-fourths of a foot distant when we missed ways. I received no orders from the second officer when I relieved him at midnight. I have been first officer in the ship with the present captain since 23rd November of last year.

ENQUIRY CONTINUED.

The enquiry was continued before the Marine Court composed of Hon. Capt. I. A. W. Barnes-Lawrence R.N. (President), Lt. C. R. McCallum, R.N., H.M.S. *Tamar*, Captain H. Pybus, s.s. *Empress of Japan*, Captain St. John George, s.s. *Macquarie* and Captain W. Robb, s.s. *Taipei*, at the Harbour Office on July 7th.

Mr. C. D. Wilkinson (of Messrs. Wilkinson and Trust) again represented the Captain, and Mr. J. Hays (of Messrs. Johnson, Stokes and Master) appeared on behalf of the owners of the vessel.

Captain Chamberlin's examination was continued. He said—At three o'clock on the morning of the 2nd June I returned with the crew on board. The ship was bumping so much that I thought she would break up, so we returned to the boats, and lay off the ship, to which we returned an hour later when she was not bumping so heavily. We tried to heave her off again by means of the hawser, but were unable to do so. We then waited for the tide to rise after which we made several further efforts to clear the ship, but as these were of no avail we waited for assistance from Hongkong. Our crew was denuded of four men and an officer during our attempts to get the ship off, and their assistance would have been useful. The men were not sent to Hongkong in a life-boat, but a long gig. During the night of the 2nd ultimo there was a strong breeze from off the land, and the vessel slipped off the rocks. On the 3rd ultimo the *Robert Cooke* arrived on the scene, bringing off the crew from Hongkong. The day before this the launch *Rutai* brought back our gig. When the *Robert Cooke* came near, I communicated with her and got a tow rope passed. Then I ordered the men to get into the boats. The *Likin* arrived on the 2nd, and I gave the crew leave to go on board of her. We slipped off the rocks between eight and nine o'clock on the evening of the 2nd ultimo, when only the mate and I were on board. The ship was afloat, and I called the crew to come aboard from the *Likin*. We were afloat for about three-quarters of an hour before she went on the rocks again. When she floated off all the lower topsails and the foresails were set, but no headsails. The sails were set when the land breeze sprang up about 6 p.m., as I thought it might blow us off the shore. The first officer and I set all the sails, the men having left the

ship two hours previously. Had the crew been on board I think they would have been able to manoeuvre sufficiently to get clear away. When I set the sails I felt that there was a breeze coming along. It came so suddenly that I had not time to call the crew off.

The President—Were you wise in allowing the crew to go on board the *Likin*?

Witness—Yes. I expected the masts to come down with the bumping, and some of the crew might have been killed.

Witness continued—When the men got back we trimmed the sails to sheer along off the shore but the vessel again went on the rocks, after which the crew with the chief officer left the ship. I remained on board, as I had an idea that the ship might possibly slip off again. One of the officers of the *Likin* came alongside and asked me to leave the ship, saying that it was madness to remain. The officers could not make use of the saloon without my permission, although they could go in any time and see the charts, as the door was always open. When the vessel began to bump heavily I tied the charts and ship's log round my waist. At daylight on the morning of the 3rd ultimo the *Robert Cooke* hove in sight, and I called one of the ship's boats and went alongside her and got a hawser. This was passed, and I ordered the crew back into the boats. The *Robert Cooke* then began to tow, and finally pulled the ship off the rocks, after which she towed us to Harlem Bay. On the way the ship was filling rapidly. The mate was standing by the anchor, and I was steering. The mate let go the towrope by mistake, and we anchored in 12 or 13 feet of water. We then came to arrangements for the tug to tow us to Hongkong.

To Lt. McCallum—I pay for the ship's charts myself, as the owners will not supply me. This is not customary, but I have had to do it, and find it very expensive. It is not a written stipulation. On 31st May before going below, I gave orders that I was to be called if land was sighted. On the same day, the deck being wet and slippery, I fell down and hurt my back. I mentioned that I did not feel well, and was going to lie down. If a breeze had sprung up in the middle watch, the chief officer could have called me at once. It is usual for an officer to call the master on such an occasion. When I hurt my back I did not feel sufficiently bad to turn over the command of the ship to the chief officer.

Captain Pybus—When you found the ship couldn't stay, and you tried to wear her, did it never strike you when she was close to land to let go anchor?

Witness—There was too much water, Sir, and I felt positive the ship would go round.

Captain Pybus—But there must have been a time when you saw that she wouldn't go round. Did it not then strike you to let go the anchor?

Witness—There was an extra lashing on the anchor, which was resting on the bilge board.

In answer to further questions from Captain Pybus, witness said—In a case of emergency we could not let the anchor go with a run, as it would probably break the chain at the cathead. We could not let it go without cutting it first. In working the ship the mate is usually stationed by the fore yards, the Bo's'n being on the fore'sle head to work the jib sheets. I sent my chronometers, papers, etc., to the *Likin* as soon as she came, but lost the chart which was tied round my waist. It must have slipped off. The first mate kept the ship's logbook, and his own log was written up when he got back to Hongkong. When the ship went ashore she was heading W by N. When she got off the rocks her head paid off and she slewed to starboard. The anchor was fast. It would have been better had I kept the men on board to endeavour to get the ship off at high water, but she was bumping so hard and her masts shaking so much that I could not possibly keep the men on board to be killed. I saved all the ship's papers with the exception of the logbook and chart.

To Captain George—I have been in command of the *Travancore* a little over six months, but did not know her sailing qualities in ballast trim. I was not on deck on 1st June when the second relieved the chief officer. I left orders that the second officer was to call me if land was sighted. That was a standing rule throughout the voyage. He called me at four o'clock and

afterwards communicated with me through a speaking tube. I went on deck at six o'clock and saw land a good distance off.

Captain George—What were your reasons for standing so near in to the lee shore of a rock bound coast?

Witness—I thought I could get the ship round.

Captain George—And you did not know her sailing qualities in ballast trim?

Witness—No, but I thought an ordinary ship of her class would go round.

Captain George—You had no other reason for standing close in than that you felt confident you were able to go about?

Witness—I felt confident that there was plenty of room to wear her round.

Witness continuing—When the *Robert Cooke* towed us into Harlem Bay, we anchored in 13 ft. of water. Our deepest draft is 15½ feet. The second officer could see the chart if he wished to. I supply the charts myself, but do not take good care of them.

To Captain Robb—Both the official and deck log books were lost.

To the President—This was the first occasion on which I had the ship in ballast. When fully loaded, she always stayed.

To Mr. Wilkinson—I have had long experience in sailing ships. I was in a barque called the *Don*, of the Shore Saville Line, and for thirteen years in the *Narcissus*. I deny the suggestion that I was not perfectly sober when I left Hongkong. When the ship left I had only two bottles of whisky on board, and this was given to the crew. I take whisky occasionally, but if I took too much my eyes would fail me altogether. During the time the ship was on the rocks I sent for some rum for the sailors who were assisting in pumping her out. I hurt my back through falling against a corner of the skylight when it was raining very heavily. The men only refused to obey my orders the night the ship went on the rocks.

To Mr. Hays—The mate gave the order to set the sails, but it came from me.

Charles Mitchell, A.B. of the *Travancore* stated—On the morning of the 31st on leaving Hongkong I went to the wheel at twenty-five minutes to six o'clock. While at the wheel I noticed that the captain acted in a peculiar manner, not such as he should do if sober. The wind was N.E. with heavy rain when leaving the harbour. I was relieved from the wheel at 8.30 a.m., and while canting the starboard anchor noticed the captain falling down on the poop in front of senior apprentice Gordon, who was at the wheel. The chief mate's attention was called to it on the fore'sle head. This was about eleven o'clock. The wind was variable, and during the afternoon we set the remainder of the sails. About 9.30 that night we wore ship. I was on the lookout at the time on the fore'sle deck. At 6 a.m. on the 1st June, I went to the wheel again. The ship was then heading N.E. by N. on the starboard tack, being at the most three miles from land. We were making about three knots an hour. The land was about two points on the starboard bow, and there were two small islands on the port beam. There was also a point of land on our port bow. At 6.30 the ship began to break off, as the wind was heading north. The captain was on deck at the time. At 7.10 a.m. the captain told me to strike seven bells, as he wanted the watch below to have their breakfast before times to tack ship at 7.45. The men are generally allowed forty minutes for breakfast. The captain then asked me how the ship was steering, and I answered him that she was turning a lot of lee helm. At a quarter to eight the captain told me to strike eight bells. The captain went below after he told me to strike seven bells, and came on deck again at 7.30. At eight bells (7.45) he told me to put down the helm hard a lee. The ship came up about three points in the wind, but refused to come any further. We then had land about half a mile on our port bow. There was also land on the starboard bow, which was some distance away. When the captain saw the ship would not come up any more in the wind he gave me the order to put the helm hard up which I did. We then squared the crossjack and the main yards by the master's orders. The ship was gathering headway and as she headed N.W. she ran stern on the rocks and her jibboom was nearly

touching the cliff. I stopped by the wheel till the second mate asked me to give a hand at the life boats. Both anchors were lying with the place inboard on the rail. When I returned in the tow boat *Robert Cooke* on the 3rd from Hongkong, to which port we had been sent for assistance, the captain came alongside in one of the life boats. He informed the master of the tug that he was too late as the bottom was knocked out of the ship.

The mate of the *Robert Cooke* and the engineer, together with the crew returned from Hongkong, went to look for themselves, there being nobody on board ship at the time. After a certain amount of competition, I was the first to board the abandoned ship, as I thought that if anybody else got aboard first they could claim salvage. When we got on board there appeared to be no one to give orders, and I asked the master why he did not tell us what to do. The mate of the *Robert Cooke* had previously told the master that he ought to get the tow rope over, but the master did not give us this order. When we made the towline fast the captain told all hands to go in the boats, which they did. The captain and chief mate remained on board. All the morning of the 3rd ultimo the captain was under the influence of liquor, I determine the fact by the captain's actions.

The President—How did he get on board the *Robert Cooke* then?

Witness—He did not board the *Robert Cooke*.

Witness continuing—I consider the captain acted in a peculiar manner in not tacking the ship before he did.

To Lt. McCallum—At 9.30 we wore ship. We were on the starboard tack and going at about two knots. I suppose the master tacked the ship instead of wearing because she would not stay. The peculiar manner of the captain was that he would go and talk to the pilot, who would not speak to him, and when the pilot told him anything, he would not listen to it. I did not hear any of the conversation that passed between them, but saw the captain continually dropping his cigar out of his mouth for about five minutes, and getting the pilot to light it. The pilot got so disgusted that he pulled another cigar out of his pocket and gave it to the captain. The pilot was a Chinaman.

To Captain Pybus—There was a slight rain when the captain fell down. An hour before he fell he was leaning on the poop rail, nodding all the time; then he let his arm go from the rail, and fell down between the skylight and the rail on the port side, where there was no grating. Steering full and by, the *Travancore* would stand about seven points in the wind. The distance across the harbour from the ferry wharf would be over half a mile. The second mate was forward all the time, so the captain might have come on deck without him knowing it. If our ship had continued on the tack she was she would have cleared the land on the port bow by about a quarter of a mile. The "p" of the anchor was right on the rails, and required to be pinched over. It could have been done in about five minutes, or in a case of emergency even quicker. The ship was bumping heavily when we were ordered to go on board the other ship. I would have stayed if ordered to do so.

To Captain George—The wheel on the *Travancore* is right aft, and it is usual for the men to strike the bell. There are no deck houses on the poop, hence I had a plain view from the foc'sle head. It was ten minutes before the usual time when the captain told me to strike seven bells. He said he wanted to tack the ship before eight o'clock. When the ship missed stays the chief officer was standing by the fore braces and the bo's'n was on the foc'sle head. When the spring was on the line the second mate stood by the fore hatch, but did not give any orders until the captain told him he was made mate. The captain gave orders, but not as a master should speak to his men. I obeyed his orders. I have had no trouble with the captain while on board the ship.

To Mr. Wilkinson—The captain was on deck at 5.30 a.m. and was running down to the saloon and up again all the time. I was on deck all the time with the exception of the time I went below for breakfast. I think the man who boards an abandoned ship first can claim salvage. In this case I could not claim it as I belonged to the ship, but I made a rush to get on board first in order to save the captain, and he

thanked me for it afterwards. I have never had complaints of drunkenness made against me. I was not charged at the Police Court. It first occurred to me to bring this charge when the captain accused the crew of cowardice. This was done when the ship struck the rock. I did not make the charge at once because the captain said there was going to be an inquiry later.

Mr. Wilkinson—Do you read the newspapers here?

Witness—Sometimes. I might get one a week.

Mr. Wilkinson—As a matter of fact you read the account in an evening paper; did you not?

Witness—I did that time, but I was not amongst the men alluded to therein.

Mr. Wilkinson—And it was after reading that article that it occurred to you to make this charge?

Witness—No, Sir. It was before that.

Mr. Wilkinson—Why did you not make it sooner then?

Witness—Because the captain said there was going to be an inquiry and that would clear us.

Mr. Wilkinson—How do you imagine that it would have cleared you?

Witness—The captain said we could clear our characters before the court.

Witness, in answer to further questions, said—When the ship was brought round to Harlem Bay I went with the rest of the crew on board, and we received orders to clew up the sails and pump, which we did after a rest. I do not know if anybody has made a claim for salvage, but Mr. Purves, the engineer at the docks, said he was going to. When the captain slipped and fell most of the crew were on the foc'sle head. The ship once before hung stay on her voyage to Hongkong. On this occasion the captain asked me if the ship would go about, and I told him that I did not think she would.

Thomas Nash, bo's'n of the *Travancore*, sworn, stated—We left port on the 31st May in tow of three launches, and made sail on the starboard tack, and were on the starboard and port tacks until we struck the rock. I was officer of the watch from six to eight p.m. on the 31st. The chief mate said to me—Bo's'n, I must be a capable man, as the captain has given me charge. I said, That's all right, sir. I thought it was then, as the captain was under the influence of drink. I observed him in the afternoon lying over the poop rail his head and hands hanging down, and apparently he was in a drunken sleep. Shortly afterwards, about 6 p.m., I saw him slide backwards and fall into a sitting position on the deck. He then fell on his back. Senior apprentice Gordon was at the wheel at the time. He got up and leaned with his side against the rail, looking forward to see if we were taking notice. I came on deck at seven bells on the 1st June, and saw the ship near land. At eight bells we had orders to "bout ship," and I sent two men forward to attend to the head sails. On the order being given "hard a lee," the ship came to the wind, had a light shake, and started to fall off again. When I saw this I did nothing more, but expected the order to drop anchor, which never came. The anchors were lashed, and could have been let go in from three to five minutes time.

The President—And why did you not let them go?

Witness—I could not let them go without orders.

The President—As a British seaman, does it not strike you that that is a lame excuse to make when by letting go the anchors you might have been in a position of saving life?

Witness—I would not like to take it upon myself to let them go without orders.

Witness continuing—I heard the second officer give some orders about the lifeboats, just before the ship struck stem on to the rocks. This was from fifteen to twenty minutes after she started to fall off. The captain then came to me and said, Bo's'n, go forward and drop the two anchors; and don't let the chief mate know anything about it. I was making preparations to do so when he said, Never mind the anchors. If the mate does not round on me, the crew will. I should have let them go before. About noon on the 2nd June, I observed the ship was afloat fore and aft. The captain and the first officer were

going into the cabin, when I said to the first officer, Are you aware the ship's afloat? He said, I don't think so, and then came with me to the main rigging. He then said, I believe she has gone astern, and I told him that if he wanted to get the ship off the rocks he must heave on something. The chief mate gave the orders to man the capstan, and before the rope got taut he gave them orders to make it fast. The men went forward, and I stopped aft. The mate called me on one side and said, Bo's'n, I would like to scuttle it. You take the men forward and give them some work to do so that they won't hear the hammering. I will put a hole in her. The captain was in the cabin at the time. I did not consent to the proposal, and no more was said about it. In the afternoon I went with the crew to see the captain to ask permission to put our clothes on the *Likin* before dark. He gave us permission to do so, and also told us we could go aboard the *Likin* before dark. During the time I was on board I did not see an effort made to get the ship off, with the exception of the steam launch. When the vessel floated off the rocks there was only one anchor out. Had a second been run out she would most certainly have come off. Next morning the *Robert Cooke* hove in sight, and when Captain Chamberlin met the captain of the tug he said, You're too late; the ship is full of water. The crew has abandoned her, and the bottom is out of her.

To Lt. McCallum—There is no spanker or mainsail on the ship. When I observed the ship float I called the mate's attention. There was then a very light shade of wind from the starboard side. When the vessel floated she had no list.

To Captain Pybus—When I expected the order to let go anchor the chief officer was at the braces. The covers of the lifeboats were of wood, and nailed down to the gunwales. The mate did not call the captain when I drew his attention to the ship being afloat. When we abandoned the ship she had a heavy list to starboard, and was bumping heavily on the rocks. The foresail and lower topsail were on her when she floated, but they were doing her harm. The chief mate generally gives the orders to get the anchors ready when coming into port, and I take my orders from him.

The inquiry will be continued.

THE MILITARY COURT.

[WRITTEN FOR THE "DAILY PRESS."]

BY "WAVING PLUME."

Private Atkins is about to be tried by Regimental Court Martial which is, so to speak, the Junior Court assembled for the trial of the soldier. "Forty-two days' imprisonment with hard labour" is the extent of its powers and the minimum qualifying length of service for an officer as member of the Court is two years. The Court has been ordered to assemble at 10 a.m. and two officers are warming their hands over a miserable attempt at a fire which has just been lighted by a corporal, the orderly of the court. The room wherein the trial is to take place is dirty, empty and chilling. The walls are white-washed and fairly clean, the floors are boarded and unfairly unclean as also are the windows, the fire grate, the fire irons and the coal scuttle. The furniture consists of the articles I have first enumerated, four pegs behind the door, an inventory board hanging on the door itself, one trestle table, not particularly steady, on which have been laid by the court orderly a copy of the Army Act, King's Regulations, Manual of Military Law, a Bible and three pieces of blotting paper, three pens, one ink pot and some yellow foolscap, a knife, red tape, one piece of india-rubber and a lead pencil. Three chairs are in position at the table for the member of the Court and one near the fire for the Adjutant of the Battalion who is generally prosecutor in the cases tried by a Regimental Court.

In the draughty passage outside stands the prisoner, without belt, guarded on either side by a private soldier with drawn bayonet in hand and generally superintended by the sergeant of the guard.

"Escort and prisoner, Shun!" bawls this latter on beholding the President, a regimental

captain, approaching. At the command, escort and prisoner stand up very wooden looking and rigid whilst the sergeant salutes by puffing his chest out, bracing his knees, staring stonily at the wall opposite and describing a circular curve with his right arm until the palm of his hand, with fingers closed, is outwards, the back of the hand to the rear and the forefinger about an inch above the right eye. On his part the President acknowledges the salute to the King's Commission by a slight upward inclination of the right hand. The orderly of the court opens the door of the Court Martial Room, the two officers already present turn their backs on the fire and salute the President with much gravity as he places a blue O.H.M.S. envelope upon the table and extracts from it the charge sheet, the order convening the Court and summary evidence. The court orderly places on the table the usual army form on which the proceedings are to be taken down and the evidence produced written verbatim either by the President himself or one of the members of the Court.

The President then seats himself in the centre chair whilst the next senior to himself sits on his right hand with the junior on his left.

"March in the prisoner and witnesses," orders the President.

At this the orderly bustles to the door and repeats the order.

"Escort and prisoner—Right turn—Queue—March!" snaps the sergeant, skilfully manoeuvring his little force into position with the following words:—

"Right wheel—Right wheel—Mark time—Halt—left turn—Right dress!" The witnesses, three in number, march themselves in and stand rigidly behind prisoner.

The President, pen in hand, then commences to read from the blue army form, filling in gaps in the printing as they become necessary, the sergeant removing the prisoner's headress at the opening sentence.

"Proceedings of Regimental Court Martial held at Shot-town this—let me see what day is it—Oh, yes!—this eighteenth (filling in the date) day of November, 1904, by order (writing) Lieutenant Colonel M. V. R. du Slesher du Dasher, Commanding the 1st Battalion, the Royal Footit Regiment. At 10 a.m. the Court opens for the trial of No. 2234 (referring to the orders) Private Thomas Atkins, 1st Battalion, R.F.R."

Next the President's name and those of the members of the Court are read over and entered on the form. As each name is called its owner answers "Here, Sir." If any young officers are present for instruction their names are also read out and included in the copy of proceedings. The President satisfies himself that the Court is legally constituted—i. e., that the officers composing it have the necessary minimum of two years' service each—and, having done so, notes the fact on the proceedings and continues. The prisoner is afforded the opportunity of objecting to any member of the Court by the question: "Do you object to be tried by me as president or by any of the members whose names you have heard read?" No objection being forthcoming, the President and members are sworn on the Bible, the President "swearing" the members first and himself being next sworn by the senior member, headresses being removed during the administration of the oath, and the glove of the right hand being taken off. At the conclusion, of the oath each member kisses the book as a solemn pledge that he will by the prisoner well and truly according to the evidence, duly administer justice according to the Army Act in force at the time, excluding from his mind all partiality, favour or affection; further that he will not divulge the sentence of the Court until it be duly confirmed or at any time or on any account, unless thereunto required in due course of the law, disclose or discover the vote or opinion of any particular member of the Court Martial. "So help me, God" reply the members. Then in the presence of the prosecutor, who is already present and has answered to his name, and in presence of the witnesses, the charge sheet is read over to the prisoner. He is asked whether he is guilty or not guilty of the charge—or, if more than one—each charge in order on the charge sheet. The President, should prisoner plead "Guilty" points out to him that in this case he will be

found guilty at once and allows him, if he likes, to substitute the plea of "Not Guilty;" the Court is cleared of all save the President, members, prosecutor, escort and prisoner, and the trial proceeds as in ordinary Civil Courts by each witness for the prosecution giving evidence on oath in his turn and being cross-examined by the defence. When the prosecution is closed the prisoner can call his witness for defence, giving evidence himself if he wishes to. If prisoner prefers he can be represented in Court by a solicitor or a "friend," frequently his company captain or another regimental officer, who conducts the defence for him and cross-examines the prosecution's witnesses. Finally the Court is closed to consider its "Finding," only the members being present at this deliberation. If the finding is "Not Guilty" the Prisoner is again brought in, informed of the fact and instantly released. If "Guilty" he can make a statement in mitigation of punishment and produce witnesses as to his general character; the prosecutor on oath also producing the true copies of the prisoner's service records of conduct contained in the regimental defaulter books together with the man's defaulter sheet. The Court then closes for the last time, the sentence is considered, entered on the proceedings which are forwarded, signed by the President to the officer who convened the Court for his confirmation or otherwise. The prisoner is confined in the guard-room until the confirmation is complete, to be eventually marched on to the parade, where the adjutant, in presence of the battalion reads out the charge, finding and sentence, the latter dating from the day on which the proceedings were signed by the President of the Court Martial.

This is a very brief outline of a Court Martial of course, but, even from this it can be gathered that a military prisoner, when tried by his own officers, receives fair play throughout and is given every opportunity of clearing himself. Both prosecutor and president, I am told, do their utmost to prevent the prisoner suffering in his case from lack of knowledge of law or procedure, whilst the whole trial is so open and free from legal or complicated phraseology that a fair decision upon the actual facts of the case, set forth most plainly in the charge, seems almost certain. To anyone who has at any time formed some erroneous opinions as to the administration of justice in the British army I should give the advice to attend—the courts are open to the public—a Court Martial. There is a novelty and dignity about the procedure, a simplicity about the law, an absence of any brow-beating of witnesses, and a general sense of impartiality and fairness—on might almost say, a sportsmanlike feeling—which are by no means always to be encountered in an ordinary trial by Jury in our Civil Courts. The most curious impression created in the mind of a civilian, however, is the complete absence of oratory throughout a trial, possibly because any superfluous verbiage would be hopelessly powerless upon the minds of military men whose training accustoms them to listen to and accept facts only.

CANTON NOTES.

[FROM THE "CHUNG NGOI SAN PO."]

REVELATION OF CHINESE METHODS.

The Viceroy has given strict orders to reform the arrangements of the guard boats, which have hitherto been managed in a lamentable manner. They were insufficiently manned, and lacked arms and ammunition, so that they were unable to check the pirates, who took no notice of them and attacked passing vessels even in their presence. When the report of the attacks of pirates gained admission to their ears, instead of hastening to the scene and offering opposition, they quickly made their way to some place and concealed themselves. If one knows thoroughly the affairs of the guard boats, he does not wonder that they behave in such a manner, because the officers who take charge of the guard boats are subject to heavy squeeze by their superiors, who pay them only a small amount of money monthly which is really insufficient to keep a crew of more than three people. The officers in charge of the guard boats are, therefore, obliged to make squeeze, too, by selling the ammunition which they get

from their principals and engaging generally two sailors who, being poorly paid, are generally beggars or bad characters. If an inspection is to be held by some high officer, they will engage some coolies, paying them ten cents each for the hour, and if coolies are not to be obtained quickly enough, a few boat-women can be made to suffice by wearing the uniform and helmet.

KWANGSI RIOTS AGAIN.

It is reported that riots in the prefectures of Lau and Hing are again breaking out, and the rioters have commenced to make attacks on the villages, and persuaded the people to join hands with them. An Imperial order has been wired to Viceroy Sham telling him to stay in Canton to take steps to root out the robbers and pirates of the province of Kwangtung, leaving the Governor of Kwangsi to exert his utmost to suppress the riots.

OFFER FOR WHAMPOA DOCKS.

A merchant has sent a petition to Viceroy Sham asking to be allowed to make use of the docks in Whampoa, which have been abandoned for a long time. He wants them to repair vessels, etc., and offers to pay a rent annually to the Government. Viceroy Sham has taken the application into favourable consideration, and has ordered a deputy officer to make a careful enquiry into the matter.

JAPANESE MEDICAL COLLEGE AT CANTON.

Viceroy Sham proposes to establish a foreign-trained medical college in Canton, for he, who had been ill for a long time, was at last cured by a foreign doctor, the Chinese doctors, many of whom had been engaged, being unable to restore him to health. He has sent a despatch to the Chinese Minister in Japan asking him to approach the Japanese Government to obtain the services of a Japanese doctor as superintendent of the college. The Japanese Government has recommended the Japanese doctor in Canton to the situation, but the Japanese doctor declines to accept the appointment and has recommended one of his friends.

[FROM OUR CORRESPONDENT.]

7th July.

A NEW TREATY PORT.

Haishow, a sea-port between Shantung and Kiangsu, with its harbour protected, like Hongkong's, by an island, is to be thrown open, it is said, as a Treaty Port so that Germany cannot get it. In spite of the contradiction of the recent flag-hoisting rumours, the officials think that Germany wishes to occupy this place.

HOW REFORMS MAY COME.

His Excellency Viceroy Shum has been ill for some time, and the infallible medicine of the Chinese quackdoctors has not yet "touched the spot." The excusably impatient patient has now engaged a European doctor, who has cured him. Being well pleased with foreign medical treatment he intends to establish a school of medicine, and to engage clever foreign doctors to train the students. Japanese will preponderate.

JAPANESE PRIESTS.

Some Japanese priests have rented a house in Po Hing Street, Canton, to propagate the Buddhist doctrine. A sign-board hangs about the door, with a legend to this effect "Pun Yin mission for the propagation of Japanese doctrine in Canton. The seizing and closing up of the Cheng Sow temple by order of the Viceroy rendered homeless a great number of Buddhist priests. These men have joined the Japanese."

MARCO POLO CONSOLES HIM.

Not long ago an Imperial Astronomer made his appearance in Canton, and brought with him the Imperial Order and Diploma. He was living in a low class restaurant in Kee Cheong Street. Whenever he went to take the air, he was carried by eight bearers in a big chair. On his hat, instead of a blue or red official button, he carried a flower pagoda, which attracted much attention. He never received or made any official call. Presently, Canton began to whisper that he must be a fraud. Learning this, the gaudy stranger left and went to pay a visit to the "tomb" of Marco Polo, which is not far from Canton?

A LOT OF LOW BASCALS.

The secretaries, writers, police, and runners in the yamen of the Nam Hoi and Punyni Magistrates, and at other small yamens, are very

poorly paid. So they "have to" squeeze the suitors and prisoners, to make money in various dishonourable ways. Since the closing of the brothels in Chon Tong, they have lost the greater part of their income. They are now "on strike," and have left the yamens in the hope of coercing the mandarins to re-open the brothels. The Anguan stables have cleaned themselves if the mandarins only knew it.

"BLESSED ARE THE MEEK."

On the 29th June, as the passenger boat *Hop Lee* was leaving Kongchun, in the district of Pun Yui, for Canton, and just as she was in So Chuin, a number of pirates attacked and boarded her. A Chinese official with his "soldiers" was on board. He and his "soldiers," and the passengers, were robbed; and the pirates got away unmolested.

POLICE SUPERVISION.

Japanese coffee houses, restaurants, bath houses, and brothels in Canton and Honam, have been doing a big business. The Viceroy has ordered the Nam Hoi Magistrate to close one, and to place all the rest under police supervision.

CHINESE BAKERS AND COOKS JOIN

AMERICAN BOYCOTT.

Ante the American Exclusion of Chinese labour, all employees of the restaurants and tea houses in Canton have notified their employers that henceforth they will never use American flour to make cakes, and that if their employers seek to compel them to use it, they will strike.

COMPANIES.

CHINA LIGHT AND POWER CO., LD.

An extraordinary general meeting of this Company was held at St. George's Buildings Connaught Road, on the 8th instant, when there were present:—Hon. Mr. R. Shewan (Chairman), Sir C. P. Chater Dr. Noble and Mr. H. B. White (Directors), and Messrs. A. Babington, N. H. Rutherford, W. R. Robertson, Fung Wa Chuen, A. Cordeiro and R. Henderson.

The notice convening the meeting having been read, also the resolution that the capital of the Company be increased to \$500,000 by the creation of 20,000 new shares at \$10 each, the CHAIRMAN proposed that such resolution be confirmed as a special resolution.

SIR PAUL CHATER seconded the proposition, which was carried unanimously.

The CHAIRMAN—That is all the business, gentlemen.

THE HONGKONG ELECTRIC CO., LIMITED.

The report of the Board of Directors to the sixteenth ordinary yearly meeting of shareholders to be held at the company's office, St. George's Building, at 12.30 p.m., on Saturday, 18th July, reads:—

Gentlemen,—Your directors have the pleasure to submit the accompanying statement of the company's accounts for the year ending 30th April, 1905.

The balance at credit of profit and loss account is \$112,199.88; after deducting directors' fees (\$3,000) there remains the sum of \$109,199.88 available for appreciation, and your directors recommend that this be disposed of as follows:—

To pay a dividend of 10 per cent.:—
Say \$1 per share on 30,000 fully paid shares .. \$30,000.00
Say 50 cents per share on 30,000 part paid shares \$15,000.00
\$45,000.00
To write off plant a/c. for depreciation 62,048.76
To carry forward to next account ... 2,151.12
\$109,199.88

The manager reports that the number of lamps, fans and motors connected to the company's supply service on the 1st June was equivalent to upwards of 34,500 lamps of 8 candle power. 85 arc lamps are maintained by the company and 15 electric lifts are being operated by the power service. During the year a 250 K. W. steam alternator has been erected at the company's works, and an improved motor generator has been fitted for use in connection with the power service. A new

chimney is now in course of construction at the works, the original chimney being inadequate to serve the increasing demands for power.

DIRECTORS.

Messrs. E. S. Whealler and W. J. Gresson having resigned their seats on their departure from the Colony, Mr. G. H. Medhurst and Hon. C. W. Dickson were invited to fill the vacancies on the Board and these appointments require confirmation. In accordance with the articles of association, Messrs. A. G. Wood and G. H. Medhurst retire, but, being eligible, offer themselves for re-election.

AUDITORS.

The accounts have been audited by the Hon. Mr. Gershom Stewart and Mr. C. W. May, who offer themselves for re-election.

A. G. WOOD,
Chairman.

Hongkong, 30th June, 1905.

The accounts are as follows:—

STATEMENT OF ACCOUNTS	
To April 30th, 1905.	
LIABILITIES	
Capital:—	\$ c.
30,000 shares each \$10 paid up 3,000,000	000
3,000 shares each \$5 paid up 150,000	000
	450,000.00
Sundry creditors	4,484.00
Dividends unclaimed	5,596.37
Suspense account	1,757.29
Hongkong and Shanghai Banking Corporation	36,637.85
Balance of profit and loss account	112,199.88
	\$610,675.39

ASSETS.	
\$ c.	
Plant, cost, as per last account 349,222.11	
Less amount provided for depreciation	41,222.11
	\$308,000.00
Cost of plant, since added	72,048.76
	377,048.76
Property, cost of land and buildings as per last account	82,486.57
Installation material, stock of	89,091.82
Stores and coal stock of	11,361.33
Tools, &c., stock of	1,033.25
Furniture, cost of, as per last account	302.85
Cost of furniture since added	471.11
	774.76
Insurance, value of unexpired portions of policies	961.00
Sundry debtors	34,977.18
Cash with agents	13,036.72
	\$610,675.39

WORKING ACCOUNT.

Dr.	
\$ c.	
To agency and office expenses	6,001.00
To rent and taxes	2,779.21
To insurance	2,909.75
To interest	2,204.95
To auditors' fees	200.00
To bad debts	416.03
To amount carried to profit and loss account	110,452.22
	\$124,973.16
Cr.	
\$ c.	
By net profit on working	124,944.16
By scrip and transfer fees	29.00
	\$124,973.16

PROFIT AND LOSS ACCOUNT.

Dr.	
\$ c.	
To amount available for appropriation	112,199.88
Cr.	
\$ c.	
By amount of undivided profit, as per last account	1,747.66
By balance of working account brought down	110,452.22
	\$112,199.88

S. C. FARNHAM BOYD & CO

Mr. F. Anderson was not present at Farnham Boyd's recent meeting, but he makes the following comment in the Press.

"The value of the 'definite offer' which was submitted to the shareholders depended upon whether there were reasonable grounds for believing that the sixteen £1 shares in the new Company would be worth par after flotation; it is obvious that the future value of these £1 shares depended entirely upon an agreement as to the limitation of a further issue of ordinary or preference shares or of debentures, and the terms upon which such issue would be permissible.

It is clear that without an agreement in this sense the purchasing syndicate might have rendered the new £1 shares of little or no value. Before taking the responsibility of submitting the scheme to the shareholders the Directors ought to have safeguarded this elementary point, or to have made it plain that they had not done so. They apparently took neither course; the Chairman stated that after months of negotiation it seemed to the Directors that the final offers left very little room, if any, for a return on the original shares.

It was the precipitate action of the Board in submitting a crude scheme which was adversely criticised, and not the general management of the Company, which has given a return to the shareholders for many years of which the Directors may be proud.

In the future, further questions of a non-technical character affecting the Company's welfare may arise; changes in the management are inevitable sooner or later; at present the Board of Directors have practically the power of electing their successors; under these circumstances it is surely worthy of consideration whether it is in the best interests of the Company this arrangement should be permanent, even after the retirement of the men who have made the Company; or whether the basis of representation on the Board should not be extended. In any case there seems to be no reason why the suggestion should be looked upon as hostile to the present Directors."

TELEPHONE DEVELOPMENTS.

The Oriental Telephone and Electric Company, Limited, of which the China and Japan Telephone Company is a subsidiary company, unanimously decided at an extraordinary general meeting of shareholders held in London on May 31st to create debenture stock to the extent of £200,000. The Chairman explained that the money was wanted for underground cables and similar purposes. Locally the work of placing the cables underground is now in progress. The Chairman informed the shareholders, that the directors might contemplate the erection of new premises at Hongkong as the present exchange was too small for the needs of the business. Money was also required for developments in Egypt and India.

INSPECTOR OF SCHOOLS' REPORT.

The report of Mr. Edward A. Irvine, Inspector of schools at Hongkong, appears in the Government Gazette on Saturday. The following are extracts.

Excluding \$500 paid by Mr. Arculli towards the cost of the Indian School as explained below, the Revenue collected by the Department amounts to \$7,177.50. The revenue collected has increased from \$922 in 1900 to \$7,177.50 in the year under review, or nearly eight-fold. The Expenditure on Education, including Queen's College, for the year was \$151,89, being 2.32 per cent. of the estimated expenditure.

The number of Schools (Government and Grant) including Queen's College, is 81, of which 23 are upper grade schools and 58 are lower grade schools. An upper grade school means one in which at least part of the staff is European. Lower grade schools are those under purely native management. Broadly speaking the upper grade schools teach in English, and the lower grade schools teach in the Vernacular.

The number of scholars in the Government and Grant Schools are calculated from the average attendance. Now the average attendance in Hongkong Schools compared with the numbers on the rolls is very low, partly owing to the annual plague epidemic, which seriously depletes the schools during certain months of the year, and partly because the Chinese scholars are constantly withdrawn by their parents to attend social and religious functions at their homes on the mainland. The severity of the plague in 1896 and 1901 is reflected in the serious drop in the attendances for those years. Nevertheless a more accurate reproduction of the actual state of affairs is obtained by making the average attendance the basis of calculation, than would have been arrived at had the total enrolment been used. The scholars of Hongkong,

in the Vernacular Schools especially, consider it desirable to change their schools with great frequency; and consequently a considerable proportion of them appear on the rolls of two or more schools in the same year. The greater regularity in the curves of the Government and Grant schools during the past few years must be ascribed in some degree to the greater strictness of the method of checking the attendances. The slight decrease in the number of scholars in Government and Grant Vernacular schools is mainly due to the closing of Government Vernacular schools at Saiyingpun and Wantsai. As, however, the Chinese written language is now taught in all the Anglo-Chinese Government and Grant schools, the number of scholars receiving instruction in it has really increased. The curves shewing the numbers of scholars in English and Vernacular schools not in receipt of aid from Government, are based on enquiries made by the attendance officer, and cannot be considered as at all accurate. The Vernacular private schools are increasing in numbers, and some of them are now much more efficient than were the Government and Grant Vernacular schools of a few years ago, so rapidly is reform in education spreading. The private English Schools are in some cases also very efficient. They include a school under the Church Missionary Society for the wealthier Chinese students, as well as one for European children, with an enrolment of over 40, recently opened on the Peak.

Reckoning the average attendance to be 80 per cent. of the total enrolment, it may be estimated that about 6,200 scholars have attended Government and Grant schools during the year.

Thus the total number of scholars in receipt of education in the Colony may be reckoned as between 9,500 and 10,000, of whom about two-thirds are in schools supported in one way or another by the Government.

If the figures for 1895 are accurate, it appears that 10 years ago there were 5,000 scholars in average attendance at Government and Grant schools, and that the numbers now are about the same: with this difference, however, then 2/5ths but now 3/5ths of the scholars are learning English. The value of the education given has very greatly increased, both in English and Vernacular schools.

Victoria British School.—In the spring of the year, it was made known that if the European community considered the time were ripe to open a British School on the Hongkong side, corresponding to the Kowloon School, it would be well to petition the Government, and shew the existence of a general feeling in that direction. The formation of such a school had been recommended by the Committee on Education. No steps were taken at that time by the parents concerned; and I, therefore, asked for no increase in the Estimates under this heading. I was, therefore, pleasantly surprised, when towards the end of August a petition was sent in, pointing out the urgent need of such a school. His Excellency the Governor approved the scheme. Sanction from home was obtained. The existing school on Caroline Hill was evicted. Furniture was ordered, and a staff engaged. On completion of the structural improvements, the school will be opened on March 20th, within seven months of the receipt of the petition.

THE CANTON-KOWLOON RAILWAY.

The explanation of the dissatisfaction amongst the Chinese in Canton at the intention of a British Company to construct a railway between Kowloon and Canton, is that they think, since the line will enter Chinese territory, it should be built by a joint association of British and Chinese capitalists. In view of this a memorial was presented to the Waiwupu claiming these rights for Chinese, with the result that that Ministry has been having a correspondence with the British Minister on the subject. The *N.-C. Daily News* now understands that Sir Ernest Satow has informed the Waiwupu that he is willing that the proposed joint company shall construct as a continuation of the line from Kowloon a distance of at most twenty-five statute miles from Canton city, the remainder of the line to Kowloon to be constructed and owned solely by the British Company.

CORRESPONDENCE.

TO THE EDITOR OF THE "DAILY PRESS."

SHANGHAI V. HONGKONG.

Hongkong, 3rd July, 1905.

SIR,—Britons whose lot is cast in the treaty ports often wish that their Government had taken over the ports instead of accepting only extraterritorial rights. This is especially the case with those resident in Shanghai. They, thinking that Hongkong being a free port, free from the five per cent. duty and all the incidental troubles that passing cargo through the customs entails, well known to those who have done so, imagine that the cost of living must be cheaper here. Great is their surprise to find that such is not the case. In fact, articles may be purchased cheaper in Shanghai, where the five per cent. has to be paid, than in duty free Hongkong. A case of a well known brand of whisky is \$13 in Shanghai and \$14 in Hongkong. Gas is \$1.75 for lighting in Shanghai and \$1.50 for heating or power; in Hongkong it is \$2.75. At both places the service is in the hands of a public company. Electricity under Municipal management is supplied at 14 tael cents, or roughly 18 to 19 dollar cents, a unit for lighting; for power it is 7 Tls. cents.—\$10 cents. In Hongkong under a public company the prices are 30 and 25 cents, respectively.

Rents are equally as high * in Shanghai as in Hongkong, but there the government is run on purely business lines, under the supervision of the best business men that the Settlement contains. No one who has been in the East and has rubbed shoulders with the consular service, not only the British but of all other nations as well, but has come to the conclusion that the British Government officials are without doubt the most honest in China and would not dream nor insinuate that they used their positions for their own aggrandisement. At the same time, I think, all will acknowledge that they, as a rule, are not gifted with an extra abundance of business acumen. The price of living has been forced up in Hongkong largely by the interference of junior government officials who have fads and do not consider the effects of enforcing these fads. With a municipal council the surplus energy of these youngsters is kept within proper bounds. The Shanghai Municipal Council undertake practically the same duties as the Hongkong Government, except the judiciary and postal, police, sanitary, road cleaning and extension, beside the erection of Municipal buildings being in their hands. The current expenses are defrayed from a ten per cent. tax on the rate of the house. The extraordinary expenses are met by loans at a rate of six per cent. Future generations will benefit by the improvements made, so that it is only fair that they should pay their share. It appears to me that the present residents of Hongkong are paying for those who will come after them. This is not only unjust but shows a lack of knowledge of Chinese character. The prices are now forced up, and the Chinese guilds will take care that they are never allowed to come down again. Apologising for encroaching on your valuable space.—I am etc.

M. H. W. Shanghai-lander.

*This is not so.—ED.

THE PLAGUE.

If the rains do not come soon, the comparatively low plague returns promise to swell to former dimensions. For the week ending July 1st, there were 25 cases and 22 deaths. During the ensuing forty-eight hours (or up to noon on the 3rd) there were nine more cases, five of which are marked "dead." That brings the total to 212, with 194 recorded fatalities. Of the more recent cases, one was found in a fishing junk in the harbour, one in a matshed, and another lying in the street (apparently in a ricksha at Kowloon). As the number of the ricksha was taken, the vehicle has, no doubt, been subsequently cleaned and disinfected.

The return of communicable diseases other than plague has little significance. There were (during the week) two deaths from enteric fever (one European); and a fatal (Chinese) case of small-pox.

EUROPEAN OPIUM SMUGGLER FINED.

Europeans landing from the river steamers may have to submit to the inconvenience of being searched by excise officers for illicit opium, now that a European has been caught and convicted. It has been a common opinion with a certain class that the illicit opium traffic would pay Europeans, who were not so closely watched. They have not escaped observation, however. George Gray, who describes himself as an American merchant, has for some time been suspected of bringing opium into the Colony without the permission of the opium farmer, and as the result of a long surveillance Mr. G. Hogarth, Chief Excise Officer, on the 1st July accosted Gray and a Chinaman named Leung Yee, compradors to the Tai Wo firm of No. 8 Queen's Road, at the foot of St. Francis Street, and told them that he wished them to accompany him to the Police Station, as they were pressed of illicit opium. The European indignantly denied the accusation, and stated that no person would arrest him without a warrant, neither would he submit to being searched. Mr. Hogarth advised him to go quietly to the station, but as he refused, a constable was called, and accompanied by the Chinaman, he was taken to No. 2. It is stated that on the way the native made several attempts to throw away the opium in his possession. On arrival, a search was made, and Leung was found to have one tael 9½ mace on his person while Gray was possessed of two taels and seven mace.

The European, on being informed that he would be detained, and a warrant applied for to search his house at Sauwafong, at first stated that he had no opium on his premises, but on the Excise Officer's informing him that he knew for a fact there was a large quantity there he admitted that he had about 20 taels, and handed over his key to the police, who, accompanied by Mr. Hogarth, made a search of the premises and found this amount, together with the paraphernalia for preparing.

The men were charged before Mr. G. N. Orme at the Police Court yesterday with being in possession of illicit opium.

Gray informed His Worship that he was an opium smoker, and as he had an opportunity of buying it cheaply at Canton, he availed himself of it and brought the opium here preparatory to taking it to Foochow, at which port he was going to reside, and where it was difficult to buy the luxury.

Mr. Hogarth pointed out to His Worship the gravity of the charge, and stated that the European was in league with the native in this illicit traffic, through which the opium farmer was losing heavily. He asked the Magistrate to inflict a heavy penalty.

His Worship considered the charge a very serious one and fined Gray \$500, or the alternative of three months' imprisonment. Leung Yee was ordered to pay a fine of \$75, the alternative being six weeks' hard labour.

ALLEGED INFRINGEMENT OF A PORT REGULATION.

SUMMONS AGAINST PILOT LAWLOR DISMISSED.

Mr. F. A. Hazeland on the 6th July delivered judgment at the Police Court in the case wherein Pilot Lawlor was charged with the infringement of a harbour regulation while berthing the s.s. *Slavonia* alongside one of the wharves at Kowloon.

His Worship said:—

The Defendant was summoned before me for that he on the 19th day of March, 1905, in the waters of the Colony, being a licensed Pilot under Ordinance No. 3 of 1904, and in charge of the s.s. *Slavonia*, unlawfully did infringe a Regulation made by the Harbour Master under section 4 of that Ordinance, and published in the Government Gazette of the 10th June, 1904, viz: Regulation No. 5, in that he failed to use his utmost care and diligence when bringing the said ship up to the No. 1 wharf of the Godown Company to avoid accident or damage to the said ship, whereby the said ship struck the No. 2 wharf and became damaged thereby.

The first question for my decision is as to when the duties of a pilot under this Ordinance are at an end.

The Master of the *Slavonia* stated in his evidence that he employed the defendant to bring his ship to the wharf, but I am of opinion that the defendant regarded himself in charge of the vessel when she was drifting on to the No. 2 wharf. In the absence of any contract as to the express duration of the service, I am of opinion that a pilot engaged under this Ordinance is in the same position as a pilot where the pilotage is compulsory. In the case of compulsory pilotage a ship is under the orders of a pilot for purposes of navigation only, and his duty is not at an end until he has placed the ship in port in a position of safety.

The next question to be decided is as to whether the defendant was justified, considering all the circumstances of the case, in bringing the ship in bows first. I am advised that in view of the information at his disposal he was quite justified in bringing the ship alongside the wharf bows first. I am also advised that there was an undercurrent which caused the ship to drift. I am also advised that there is no method at present available for seeing such a current.

The next question to be decided is as to whether the drifting of the ship on to No. 2 wharf was due solely to the delay in getting out the stern line, in not heaving in on it when fast, and to the fact that it was foul of the bollards. I am advised that the answer to this question is in the affirmative. Mr. Unsworth in his evidence stated the launch had to wait ten minutes for the stern line, and that there never seemed to be any strain on the stern line before she struck. Master of the steamer stated in his evidence that the ship struck No. 2 wharf before the stern line got on to No. 1 wharf. I am of opinion that the defendant was in no way responsible for the delay in passing out the stern line, for its being foul of the bollards, nor for the failure to heave in on that line.

The ship having got into this position, was or was not the proper manoeuvre to have backed out?

I am advised that to have backed out under the circumstances would have been a proper manoeuvre, but that there was nothing improper in that executed by the defendant. I am advised that there was a danger, if the ship had gone astern, of her head canting to starboard after she had gathered stern way and colliding with No. 2 wharf, in which case the collision with the wharf would probably have been more violent than it actually was.

With respect to the question as to fenders not having been got over, I am of opinion that it was no part of the defendant's duty to have done so, as the getting over of fenders is not an act of navigation.

I find, as a fact, and am so advised, that the defendant did not fail to use his utmost care and diligence whilst bringing this ship to the wharf.

My finding is therefore for the defendant and I order this summons to be dismissed.

EUROPEAN MASTER AND CHINESE "BOY."

Carl Henser, of No. 3 Mosque Terrace, was charged with assault before Mr. G. N. Orme at the Police Court on June 30 by his house boy. Defendant had taken out a cross summons against the boy for disobeying the lawful commands of his master.

Carl Henser stated that on the 24th instant he went out on a bathing picnic. When he returned home that night he found that there was no towel in his room. On calling the boy to get one, he appeared to be very angry at being awakened, and began to throw things about the room. Defendant then slapped his face.

The boy's story was that on the afternoon of the 24th instant he went out for a walk, but feeling unwell, returned home and went to bed. His master dined elsewhere that night, returning home about 12.30 a.m. When his master called him, he got up and took in his basket. His master accused him of being lazy, and struck him before he could explain that he was unwell.

His Worship cautioned and discharged the boy, also the master, considering there had been some provocation, but advised him to be careful in dealing with his employees in future.

DIPLOMATIC CHANGE AT PEKING.

THE AMERICAN NEW BROOM.

Mr. Rockhill, the new United States Minister at Peking, has indeed taken that somnolent city by storm, and the effects of his Excellency's new departure in inaugurating international social amenities in Peking will doubtless be the means of vivifying the old fossils of the Capital and making them feel a new interest in life, as it were. According to a Peking correspondent, Mr. Rockhill has been making social calls upon all the high mandarins of Peking, such as the Grand Secretaries, the Grand Councillors, the Presidents and Vice-Presidents of the various Great Boards etc., etc. By some his Excellency has been welcomed cordially and with open arms; by others with timidity and a touch of suspicion, these last because it was, perhaps, the first time in their lives that they had practically ever spoken to a "Western Barbarian." On the whole, however, it would seem that the majority of the princes and high officials of Peking rather liked the idea of an exchange of social visits with the American Minister, and if his Excellency's colleagues of the Corps Diplomatique would only promptly follow his example by "going and doing likewise," the mutual knowledge and esteem which will surely arise by such social intercourse will bear more fruit in the future, beneficial to all parties, than has been seen in the past, when each demand could only be satisfied by a threat or by, what is known as, "gunboat policy." Hitherto it has been the custom for Ministers of foreign countries to call only upon the Prince and Ministers of the Ministry of Foreign Affairs (Waiwupu), and if anything happened necessitating communication with any of the other Ministries or Great Boards, the course has been to do so through the Waiwupu. Mr. Rockhill's new departure if followed up in the right way, will however, easily revolutionise all this, as a friendship struck up with the Ministers of the various Boards will easily enable a Foreign Representative to settle matters by a policy of mutual friendly give and takes.

CHINA AND THE PEACE NEGOTIATIONS.

IMPORTANT DEVELOPMENTS.

The *Hochi* publishes a Peking telegram which indicates an interesting development with regard to the personnel and conditions of the peace negotiations, should they take place at this stage. The telegram says the Chinese Government is much concerned as to the outcome of the negotiations between Japan and Russia, it being feared that Russia may demand Mongolia or Hsingchiang in lieu of Manchuria, and that Japan may retain sovereignty over Manchuria. The Chinese Government, therefore, urges that the following five conditions should be included in any terms agreed upon:—

- 1.—That the withdrawal of Russian troops from Manchuria be the end of Russian aggressive designs in the Far East.
- 2.—That the Chinese army being insufficient for the protection of Manchuria, peace may be preserved with the assistance of Japan.
- 3.—That the exclusive privileges already granted to Russia in Manchuria should be annulled, and that Kirin, Mukden, and the Amur should be opened to the commerce of the world.
- 4.—That the Chinese Eastern Railway, Port Arthur, and Tairen, should be placed under Japanese control.
- 5.—That Russia should not be allowed to use the privileges already obtained by her in Manchuria by way of making compensation to Japan.

The Chinese Central Council held a secret conference on the 12th instant, and considered the probable basis of peace between Japan and Russia, seeking also the opinion of the Nanyang and Peiyang Ministers, and the Ministers of the Treaty Powers. It has now been decided if possible to take part in the peace negotiations with the support of Great Britain and the United States, and to send Prince Su to Washington as the representative of China.

MISCELLANEOUS.

The Chinese Empress Dowager is reducing the allowances for the repair of palaces, temples, tombs, etc., by 50 per cent., and ordered that everything be done with a view to the strictest economy.

Mr. Justicede Sausmarez gave judgment in the Shanghai Supreme Court, in the suit to decide the ownership of the tug-boat *Samson*. The judgment awards M. Pavlov Tls. 19,000, less certain expenses; and values the *Samson* at Tls. 60,000. It also allows Tls. 41,000 to be paid on account of the steamer *Edendule*, the purchase of which was cancelled by "Baron" Ward.

The steward of the s.s. *Amara* (from Canton) was charged with unlawful possession of 22 taels 3 mace of illicit opium. The case came before Mr. Haze and under two charges, the first being that of opium actually found in the steward's bed-room, and the second opium found in a cup-board in the saloon. Defendant was fined \$500, or five months' imprisonment. The captain paid the fine.

Another tramway fatality has to be added to the growing list. On July 4th a native was taken to hospital with a fractured skull and a broken neck, the result of a tram accident. He was unconscious when taken there, and expired about an hour afterwards. It is believed to be another case of stepping off a moving car, although it was at first supposed that the man had been run down.

The new organist of St. John's Cathedral, Mr. D. Fuller, who comes from Bourne-mouth, entered upon his duties on July 9. Since the late Mr. Ward departed for Shanghai the duties of organist and choir-master have been efficiently performed by Mr. E. J. Chapman. It was a melancholy coincidence that Mr. Fuller should have been called upon to play a funeral hymn of Mr. Ward's composition on the very day of Mr. Ward's burial at Shanghai.

One of the Chinese Imperial eunuchs having the ill-luck to die after smoking a cigarette, the Empress Dowager arrived at the somewhat hasty conclusion that it was the little weed that was responsible, and she has strictly forbidden anyone to smoke cigarettes in the Palace. Another eunuch who endeavoured to point out the mistake of this order and the harm it would do to native industry has been handed to the Board of Punishment.

Mr. Orange appeared in answer to a summons issued by the Sanitary Board against Sir Paul Chater for allowing pools of stagnant water to remain on his ground, Cadogan Road, Kennedy Town. Mr. Orange said that the pools were only two inches deep, and a contract had already been entered into to raise the ground three feet. The magistrate made an order that this work must be commenced within fourteen days, and completed in three months. Mr. Orange undertook to see to this.

A private ricksha coolie, while strolling leisurely along the tramline at the foot of Pottinger Street on the 4th July with an empty ricksha, refused to get out of the way of an oncoming car. The bell was clanging violently, but the coolie seemed disinclined to hurry, and the motorman attempted to pull up the car when a short distance off. He could not, however pull up within the distance, and the car, striking the wheel of the ricksha, jerked it round with the coolie still in the shafts. He was removed to hospital minus half a dozen teeth, and with a broken jaw. Such is the story from the motorman's point of view; the ricksha man may state the case differently.

The fire brigade under Chief Inspector Baker was called out at 2.20 a.m. on the 8th July to proceed to a fire in a bird-nest shop at No. 9 Wing-lok Street. This was the shop of the Hang Yuen Hop Kee firm. The rear of the ground floor of the shop was used as a store room, while the first floor was the residence of the manager. It was in the store room that the fire originated, and being fed with plenty of inflammable material, there was soon a big blaze. There was a plentiful supply of water, and the fire was subdued within an hour, but not before the ground floor was gutted. The outbreak is said to have occurred through the upsetting of a kerosene lamp. The shop was insured for \$25,000, \$20,000 in the Russian National Insurance Company, and \$5,000 with Messrs. Meyer & Company.

COMMERCIAL.

TEA.

HANKOW, 28th June.—Business reported since the 21st inst. is as under:—

	1905.	1904.
Settlements	29,825	30,504

Consisting of the following Teas:—

1-Chests		
Ningchows	5,990	at Tls. 55.00 per picul.
Kutoans	181	at Tls. — " "
Oopacks	2,141	at Tls. 19.00 " "
Conams	5,522	at Tls. 24.00 " "
Confaas	12,028	at Tls. 19.00 " "
Seang-tams	3,294	at Tls. 11.75 " "
Ichang	669	at Tls. 33.00 " "

The following are the statistics at date compared with the corresponding circular of last season, viz., 22nd June, 1904:—

HANKOW TEA.		
	1905.	1904.
Settlements	339,535	434,546
Stock	57,892	3,542

KIUKIANG TEA.		
	1905.	1904.
Settlements	152,659	181,421
Stock	19,975	15,255

Arrivals	397,427	438,128
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SILK.

CANTON, 10th July, 1905.—Second Crop.—Though the number of bales available for Export has been generally estimated at over 10,000, it will hardly reach this cipher, owing to the bad rendering of cocoons; the quality is rather poor and colour middling. The totals available for Export for the corresponding crop in 1904 and 1903 were 4,000 and 6,500 respectively. Long-reels.—During the fortnight under review, the market has been very active; extensive business has been done for forward deliveries in 2nd and 3rd crops, chiefly in coarse sizes and "market cargo" (11/13-13/15-14/18-18/22). Fine sizes (9/11-10/12-11/13) have been eagerly enquired for, but they are almost unobtainable, coarser sizes and shortreels showing more advantage to producers. From sales made we quote: Fes.—Wing Chong Sing 11/13 at \$870 and \$880; Tsung Wai Hang 11/13 at \$860; Kum Lun Tai 13/15 at \$850; On Wo Hing 9/11 at \$880; Yee Wo Loong 10/12 \$860; Wing Wo Lun 11/13-13/15 at \$825; On Wo Hing 13/15 at \$8.5. Best 2me. ordre 18/22 at an average of \$730; Bon 2me. ordre 18/23 at an average of \$720; Yee Wo Hing, Quan Wo Hing and Mei Lun 11/13-13/15-14/18 at \$745, \$735, \$725 respectively; Soey Wo Cheong 18/22 at \$650. Short-reels.—A large demand has sprung up from America, medium grades being most in favour. We quote as paid: \$805 for Extra Extra B. \$780-\$790 for Extra A. \$700 for Re-reels, Nos. 1 and 2. (Yee Wo Hing Blue Ticket). Waste Silk.—Offers of new crop fail to attract much attention. In the old season's produce very little is now left, and holders, desirous of clearing, are somewhat easier. Market Extra unopened is comparatively scarce and dear. Stock of Silk in Canton: 1,200 bales.

Messrs. A. R. Burkill & Son's Silk Circular dated Shanghai, June 24th, 1905, states:—The home markets are firm: Gold Kiling is quoted in London at 11-7½ and in Lyons at Fcs. 81.75. Raw Silk.—Tsatlees continue to be in demand and about 900-1,000 bales have been taken at unchanged rates. Green Kashings have advanced Tls 10 and a few sales have resulted at this price. Steam Filatures.—A few sales are reported. Hand Filatures.—Are not much in request at present prices, but a few small sales have been made in market shops. Yellow Silk.—Very little doing. Waste Silk.—No change to report. Though prices talked of for new Wastes by the Chinese are much more reasonable than usual, they do not appear to tempt buyers, and the market remains unopened.

SUGAR.

HONGKONG, 7th July.—The prices are advancing, a few arrivals having been reported.

	1905.	1904.
Shekloong, No. 1, White	\$9.05 to \$9.10	pols.
Do. " 2, White	7.65 to 7.70	"
Do. " 1, Brown	6.30 to 6.35	"
Do. " 2, Brown	6.10 to 6.15	"
Swatow, No. 1, White	8.90 to 8.95	"
Do. " 2, White	7.55 to 7.60	"
Do. " 1, Brown	6.05 to 6.10	"
Do. " 2, Brown	5.75 to 5.80	"
Foochow Sugar Candy	12.40 to 12.45	"
Shekloong	11.85 to 11.90	"

RICE.

HONGKONG, 7th July.—There is no change in the quotation of the market as when last reported.

	1905.	1904.
Saigon, Ordinary	\$2.65 to \$2.70	
" Round, good quality	3.90 to 3.95	
" Long	4.05 to 4.10	
Siam, Field mill cleaned, No. 2	3.05 to 3.10	
" Garden, " No. 1	3.15 to 3.20	
" White,	4.15 to 4.20	
" Fine Cargo	4.25 to 4.30	

OPIUM.

HONGKONG, 8th July.

Quotations are:—Allow'ce net to 1 catty.

Malwa New	\$1200	to — per picul.
Malwa Old	\$1280	to — do.
Malwa Older	\$1340	to — do.
Malwa V. Old	\$1400	to — do.
Persian fine quality	\$980	to — do.
Persian extra fine	\$1020	to — do.
Patna New	\$1120	to — per chest.
Patna Old	\$ —	to — do.
Benares New	\$1075	to — do.
Benares Old	\$ —	to — do.

PIECE GOODS.

Messrs. Noel, Murray & Co.'s report on the Shanghai Piece Goods Trade, dated Shanghai, 29th June, 1905, states:—Re the stoppage of trade in the north, upon which we commented in a previous issue, the following telegram has been received by the Chamber of Commerce from the Japanese Consul at Newchwang. "Notwithstanding that since the opening of the River in the Spring we have witnessed a greater influx than the average year of merchandise to this port, owing to the employment of the greater portion of the junks and carts for the purpose of the transportation of Military supplies, facilities for the transportation of ordinary merchandise into the interior of Manchuria have naturally been greatly hampered. As the result we find a great quantity still remaining stored here since the Spring. However, our Military Authorities deeply deploring this and always careful to take the trading interests of the place into consideration, have been working on the principle to afford for transportation of ordinary merchandise the use of junks and carts to the utmost possible extent, so far as it does not greatly interfere with the facilities for the transportation of their Military supplies. I have also repeatedly been giving advice to our Military Authorities on this point, and believe greater facilities in the interests of ordinary trading will, in the very near future, be afforded by means of the employment of the water-course of Liao River as far up as to the north of Mukden." As will be noticed from the above no immediate effect can be expected from these representations, so promptly sent forward and acknowledged, but nevertheless the dealers here have continued busy reselling to the Newchwang merchants and clearances have been particularly good. Somewhat conflicting news has come down meanwhile, however, and not altogether justifying the free manner in which goods were being shipped, in fact in some instances the merchants have endeavoured to cancel their purchases, but the dealers, who have unexpectedly done very well over this sudden spurt, have deprecated anything of the kind. This has really been all there is of interest in the market this week, but is quite sufficient to give it, though perhaps temporarily, a more healthy appearance. The prospects of Peace, even in the remote future, do not look so favourable, for Japan has now got the correct measure of her adversary and there will not be any doubt about the final settlement, when it does come. Advice from Tientsin are satisfactory and there seems every prospect that the off-take by that market this season will be well up to the average of former years. Chefoo is also doing well for a comparatively small market, and in spite of the competition with Tsingtao. The River markets, Hankow especially, and Szechuen continue to be very disappointing and hope deferred is beginning to make the heart sick, for the prospects of an improvement are fast disappearing. The advance in cotton is causing Manchester, with her enormous commitments, to assume a stronger position than ever, the quotations now obtainable thence being, in a great many cases, merely to choke off business. The Liverpool cotton market is reported as excited, the latest prices quoted being 5.05d. for Mid-American and 7.25d. for Egyptian. The Export of plain cottons was 24,000,000 yards for the middle fortnight of this month. New York is strong with more enquiry for China, and some forward business has been

done at firm and advancing prices. The only quotation for cotton we hear is 9.69 cents for January. Piece Goods.—Very little continues to be done by importers, but a large business, chiefly in American makes, has gone through amongst the Natives, and holders are experiencing some large clearances. This has given more life to the market as the dealers are said to have done unexpectedly well with their goods. A more legitimate demand though, of course, not so extensive, and almost entirely for heavy Manchester shirtings, has been met for Corea, where prospects continue to be decidedly bright. Clearances have quite recovered from the late depression and are going on apace. The yarn market is firmer and more active. Fresh contracts for local spinnings have been made at a substantial advance in prices. Native cotton has been firm, but looks easier at the close in consequence of an absence of export demand and free arrivals of supplies.

MISCELLANEOUS EXPORTS.

HANKOW, June 28th, 1905.—The prices quoted are for the net shipping weight excluding cost of packing for export:—

	Per picul.
Cowhides, Best Selected	Tls. 34.00
Do. Seconds	30.00
Buffalo hides, Best Selected	17.00
Goatskins, Untanned, chiefly white color	(nom.)
Buffalo Horns, average 3-lbs. each	7.50
White China Grass, Wuchang and/or Pooching	(nom.)
White China Grass, Sinshan and/or Chayu	(")
Green China Grass, Szechuen	(")
Jute	4.70
White Vegetable Tallow, Kinchow	9.20
White Vegetable Tallow, Pingchow	8.80
and or Macheng	8.00
White Vegetable Tallow, Mongyu	11.00
Green Vegetable Tallow, Kiyu	9.50
Animal Tallow	17.00
Gallnuts, Usual shape	18.00
Do. Plum do.	(nom.)
Tobacco, Tingschow	(")
Do. Wungkong	(")
Black Bristles	112.00
Feathers, Grey and or White Duck	(nom.)
Do. Wild Duck	(")
Furmeric	3.40
Sesamum Seed	4.20
Sesamum Seed Oil	8.00
Vegetable Tallow Seed Oil	(nom.)
Wood Oil	7.80
Tea Oil	(nom.)

Per P. & O. steamer Nubia, sailed on 1st July For London:—2 cases birds feathers, 9 cases china-ware, 274 bales waste silk, 4 cases cigars, 1 case Japanese plaques, 11 cases private effects, 3 packages sundries, 2,352 half chests tea (Foonchow), 1 deck chair, 1 chest Turkey opium, 1 case silks, 120 bales raw silk. For Gibraltar:—5 cases cigars, 2 cases silk private goods, 1 case curios. For Manchester:—50 bales waste silk, 10 bales punjom book. For Durban, Natal:—5 cases curios, 18 packages rattan furniture. For Barcelona:—10 bales raw silk. For Milan:—50 bales raw silk. For Lyons:—230 bales raw silk. For St. Chamond:—25 bales raw silk. For Marseilles:—220 bales raw silk.

EXCHANGE.

MONDAY, 10th July

ON LONDON.—	
Telegraphic Transfer	110 3/4
Bank Bills, on demand	110 3/4
Bank Bills, at 30 days' sight	110 3/4
Bank Bills, at 4 months' sight	110 3/4
Credits, at 4 months' sight	110 3/4
Documentary Bills, 4 months' sight	111
ON PARIS.—	
Bank Bills, on demand	236 1/2
Credits 4 months' sight	240
ON GERMANY.—	
On demand	193
ON NEW YORK.—	
Bank Bills, on demand	45 1/2
Credits, 60 days' sight	46 1/2
ON BOMBAY.—	
Telegraphic Transfer	14 1/2
Bank, on demand	14 1/2
ON CALCUTTA.—	
Telegraphic Transfer	140 1/2
Bank, on demand	140 1/2
ON HONGKONG.—	
Bank, at sight	71
Private, 30 days' sight	72

ON YOKOHAMA.—	
On demand	92½
ON MANILA.—	
On demand	92½
ON SINGAPORE.—	
On demand	6 p.c. pm.
ON BATAVIA.—	
On demand	113
ON HAIPHONG.—	
On demand	1½ p.c. pm.
ON SAIGON.—	
On demand	1 p.c. pm.
ON BANGKOK.—	
On demand	62
SEVEREIGNS, Bank's Buying Rate	\$10.50
GOLD LEAF, 100 fine, per tael	\$55.70
BAR SILVER, per oz.	27½

SHARE REPORT.

HONGKONG, 7th July 1905.—A rather better feeling has prevailed during the week, and although business is no better, the tone of the market has improved and most stocks appear to have struck bed rock. Several stocks have been in fair demand, but holders refusing to part little or no business has resulted, and rates have consequently in many cases improved.

BANKS.—Hongkong and Shanghai. A continued demand and no supply, together with a further substantial rise in the London rate (to £7), sent rates gradually up to 3-35, at which a few shares changed hands. Later, the demand continuing, and no further shares being procurable, the rate further rose to 3-40, at which the market closes with buyers and no sellers. The rapid rise is doubtless chiefly due to the new Japanese loan of £30,000,000 about to be floated in London, the United States and Germany, which Reuter wires will be offered at 90, and 4½ per cent. interest, payable in 20 years. This, together with the scarcity of shares in China, and the increasing tendency of home investors to buy the stock on the China register at a comparatively lower rate than the sterling one, is quite sufficient to account for the rapid rise in rates. Nationals remain unchanged and without business.

MARINE INSURANCES.—Unions have improved to 87-0 with sales and buyers. Cautions have been placed at 3320, and close demand. China Traders, apparently awaiting unknown developments, have ruled easier, and after further sales at 375 close with sellers at 374. Yangtszes and North Chinas unchanged and without business.

FIRE INSURANCES.—Hongkongs have been placed in small lots at 3302½. Chinas remain on offer at 387, without sales.

SHIPPING.—Hongkong, Canton and Macao have been on offer during the week at 327 without inducing purchasers to come forward. Indos have been placed in limited lots at 395 and 396 cash and at the latter rate for the settlement, market closing with buyers for the 30th inst. at 396. On time we have no business to report; latest London rate 29.10. We have nothing else under this heading to report.

REFINERIES.—China Sugars remain quiet, with very small sales at 3213 for cash and settlement. Luzons unchanged and without business.

DOCKS, WHARVES, AND GODOWNS.—Hongkong and Whampoa Docks have ruled very steady and small sales have been effected at the improved rate of 3195 for cash. Kowloon Wharves are enquired for at 395, but holders do not seem at all inclined to part at this rate. Farnhams, after backing and filling during the week between Tls. 142 and Tls. 137, close steady in Shanghai at Tls. 141.

LANDS, HOTELS AND BUILDINGS.—Hongkong Lands continue to improve, and, after small sales at 3114 and 3115 are now enquired for at 3116 and none seem to be obtainable. Hongkong Hotels have declined to 3138 without sales and close weak at that rate. Humphreys have changed hands at 312½. Kowloon Lands remain on offer at 340.

COTTON MILLS.—Ewos have improved to Tls. 43 after further sales at Tls. 41½ and Tls. 42. The quotations for the other Northern Mills are taken from Shanghai.

MISCELLANEOUS.—China Borneo have been placed at the reduced rate of 311½. Watsons at 312½ and Green Islands at 326½. Steam Waterboats have fallen to 315 on account of a proposed rival Company; nothing else to report under this heading.

Closing quotations are as follows:—

COMPANY	PAID UP.	QUOTATIONS.
Alhambra	\$200	\$100
Banks—		
Hongkong & S'hai.	\$125	\$340, buyers
National B. of China	25	\$37, buyers
Bell's Asbestos E. A.	12s. 6d.	\$6½, buyers
China-Borneo Co.	\$12	\$11.75, sales
China Light & P. Co.	\$10	\$10
China Provident	\$10	\$8.75, sellers
Cotton Mills—		
Ewo.	Tls. 50	Tls. 43, buyers
Hongkong	\$10	\$16½, sellers
International	Tls. 75	Tls. 38
Laou Kung Mow	Tls. 100	Tls. 46, buyers
Soychee	Tls. 500	Tls. 160
Dairy Farm	\$6	\$17, sellers
Docks & Wharves—		
Farnham, B. & Co.	Tls. 100	Tls. 141
H. & K. Wharf & G.	\$50	\$95, buyers
H. & W. Dock	\$50	\$195, sales
New Amoy Dock	\$6½	\$18, sellers, o.c.n.
S'hai & H. Wharf	Tls. 100	Tls. 173½
Fenwick & Co., Geo.	\$25	\$294, new issue
G. Island Cement	\$10	\$27, new issue
Hongkong & C. Gas	\$10	\$26½, sellers
Hongkong Electric	\$10	\$170, buyers
Do. New	\$5	\$11½
H. H. L. Tramways	\$100	\$212½
Hongkong Hotel Co.	\$50	\$138, sellers
Hongkong Ice Co.	\$25	\$242½
Hongkong Rope Co.	\$50	\$152
H'kong S. Waterboat	\$10	\$15, sellers
Insurance—		
Canton	\$50	\$320, sales & buy.
China Fire	\$20	\$87, sellers
China Traders	\$25	\$74, sellers
Hongkong Fire	\$50	\$302½, sales
North China	\$25	Tls. 82
Union	\$100	\$700, buyers
Yangtsze	\$60	\$172½
Land and Buildings—		
H'kong Land Invest.	\$100	\$116, buyers
Humphreys' Estate	\$10½	\$12½, sellers
Do. New	\$10½	
Kowloon Land & B.	\$30	\$40, sellers
Shanghai Land	Tls. 50	Tls. 122½, buyers
West Point Building	\$50	\$54, sellers
Mining—		
Charbonnages	Fcs. 250	\$490
Raubs	18 10	\$6½, buyers
Philippine Co.	\$10	\$9½, sellers
Refineries—		
China Sugar	\$100	\$213, sellers
Luzon Sugar	\$100	\$31, sellers
Steamship Companies		
China and Manila	\$25	\$20, sellers
Douglas Steamship	\$50	\$35½, sellers
H. Canton & M.	\$15	\$27, sellers
Indo-China S.N. Co.	\$10	\$96, ex div., sellers
Shell Transport Co.	\$1	22s, sellers
Do. Preference	\$10	\$8.10s.
Star Ferry	\$10	\$35, sellers
Do. New	\$5	\$27, sellers
Shanghai & H. Dyeing	\$5½	\$50
South China M. Post.	\$25	\$22, sellers
Steam Laundry Co.	\$5	\$8
Do. New	\$3	\$7½
Stores & Dispensaries.		
Campbell, M. & Co.	\$10	\$36
Powell & Co., Wm.	\$10	\$11½, sellers
Watkins	\$10	\$7½, sellers
Watson & Co., A. S.	\$10	\$12½, sales & buy.
United Asbestos	\$4	\$9½, sellers
Do. Founders	\$10	\$180

VERNON & SMYTH, Brokers.

Messrs. J. P. Bisset and Co.'s Share Report for the week ending June 29th, 1905, states:—The market during the week has shown a steady depression in our principal stocks; in S. C. Farnham, Boyds, Wharves, Langkats and Indo-Chinas, and at the time of writing these stocks are weak at quotations. The T. T. rate on London to-day is 2/7½. Banks—Hongkong and Shanghai Bank. No business reported. There are local enquiries for shares at current rates. Marine and Fire Insurance.—The only business reported is in China Traders at 365 ex 73 for cash and 368 for October. Shipping.—Indo-Chinas. The market opened with the placing of shares at Tls. 72 for July and Tls. 73 October. Later a weakness set in and September shares were placed at Tls. 72; Tls. 70 for cash; June Tls. 71 and July Tls. 70. There are sellers for July at Tls. 68. Docks and Wharves.—S. C. Farnham, Boyds. The market opened on the 22nd with sales at Tls. 155, for June; Tls. 159 July, Tls. 163 September, and Tls. 164 October. On the 23rd

Tls. 169 for June, Tls. 160 July, Tls. 163 for September, and Tls. 164/64½ October. On the 24th shares were placed at Tls. 154/59 June, Tls. 152 July, Tls. 154/52 August, Tls. 155/58 September. On the 26th June shares were placed at 142½/43 ex. div. of Tls. 8 payable on this date. Tls. 144½, 144 July; Tls. 145/61/46/47 August; Tls. 146/47 September, Tls. 148 October. On the 27th Tls. 143 for June, Tls. 144½ July, Tls. 146½/46 August and Tls. 147 September. On the 28th Tls. 144 for July, Tls. 146/48 September. The market closes weak. Shanghai and Hongkew Wharves. Shares were placed on the 22nd at Tls. 187½ October. On the 23rd Tls. 178 for cash. On the 24th Tls. 177 cash and Tls. 176, 177 June. On the 26th Tls. 177 cash and Tls. 176/76½ June, Tls. 180/79/79½ August. On the 27th Tls. 175 for cash. The market closes quiet with a possibility of placing shares at Tls. 180 for October. Yangtsze Wharf and Godowns are enquired for. Sugars.—The only business reported is in Peraks at Tls. 70 and 71 cash. Mining.—Weihaiwei Golds have been placed at \$9 for \$17 paid up, and later at \$8.50. The market closes stronger with buyers at \$9. Chinese Engineering and Mining Co. have been done at Tls. 8 cum div. Lands.—Shanghai Lands have been placed at Tls. 121 and are wanted. Hongkong Lands have been done from Hongkong at \$115. Industrial.—There has been a fair demand for cotton stocks, resulting in sales of Ewos at Tls. 40, 41, and 41½, and Tls. 41½ August. Laou-kung-mows have been placed at Tls. 42½, 45, 46 and 47 for cash and Tls. 47 July. The market closes with buyers at the latter rate. International C. & M. have been placed at Tls. 40, and Soy Choes at Tls. 16½. Anglo-German Brewery have been done at \$118, and Shanghai Waterworks at Tls. 420. Langkats. The market opened on the 22nd with sales at Tls. 220 cash, Tls. 219 July and Tls. 222½ October. On the 23rd sales for June at Tls. 218 and 217½ July; Tls. 220/21 August, Tls. 223½ September. Tls. 222½ October. On the 24th Tls. 217½/18½ for June. On the 26th Tls. 220/25 July, Tls. 225 August, Tls. 227½ for September, Tls. 222½/230, 225 23 October. On the 27th Tls. 220/17½ cash, Tls. 227½/224 October. On the 28th Tls. 217½ cash, Tls. 220/17½ July, Tls. 222½ September, Tls. 224 October, and Tls. 226 for November. The market closes weak. Sumatras, at Tls. 68. Stores & Hotels.—Central new shares have been placed at Tls. 7½ and old at Tls. 18. Astor House 331½ and 332 for July, and later 331½ cash. Weeks at \$19, and Hall & Holtz at \$27. Miscellaneous.—No Business reported. Loans & Debentures.—Municipal Debentures 5½% have been placed at Tls. 91 and 6% at Tls. 98.

TONNAGE.

HONGKONG, 3rd June.—The freight market remains dull, with little demand for tonnage. From Saigon outwards no charters have been effected. From N. C. Java to Hongkong two steamers have been closed at 30 cent and 31 cents respectively for wet sugar, which appears to fill present requirements. Coal freights. Steamers are offering freely at \$130 per ton from Moji to Hongkong, but no charters have been put through. Time charters. The German steamer Amoy has been closed for Northern and the French steamer Kampot for Southern account.

The following are the settlements:—

Anamba—Danish steamer, 1,158 tons, Touron to Swatow, \$1.90 per ton.
Heindul—Norwegian steamer, 761 tons, Hence to Chefoo and Newchwang \$5.000 lumps.
Progress—Norwegian steamer, 761 tons, 2 pts N. C. Java to Hongkong, 30 cents per picul.
Battenhall—British steamer, 1,387 tons, Surabaya to Hongkong, 31 cents per picul.
Taishan—British steamer, 1,122 tons, Hailo to Hongkong 17 cents per picul.
Eskdale—British steamer, 1,926 tons, Hongkong to Hongkong, \$1.60 per ton.
Loyal—German steamer, 1,184 tons, Hongkong to Kobe, \$7.000 in full.
Kampot—French steamer, 415 tons, monthly 3 3 months, \$5,200 per month.
Amoy—German steamer, 732 tons, monthly 6 months, \$5,200 per month.

FREIGHTS.

From Hankow per Conference Steamers.—To London and Northern Continental ports 46/- per ton of 40 c. ft. plus river freight. To Genoa, Marseilles or Havre 41-6 per ton of 40 c. ft. plus river freight. To New York (via Suez), 32/- per ton of 40 c. ft. plus river freight. To New York overland.—Tea 31½ cents per lb. gross plus river freight. To Shanghai.—Sea and General Cargo, Tels 1.80 per ton weight or measurement.

SHIPPING

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

- July—
- ARRIVALS.
1. Emma Luyken, German str., from Swatow.
 1. Hanoi, French str., from Haiphong.
 1. Jacob Diederichsen, Ger. str., from Pakhoi.
 1. Kohsichang, German str., from Bangkok.
 1. Kwangtab, Chinese str., from Canton.
 1. Kwongsang, British str., from Swatow.
 1. Mad. Rickmers, Ger. str., from Bangkok.
 1. Nord, Norwegian str., from Amoy.
 1. Palancotta, British str., from Singapore.
 1. Promise, Norwegian str., from Tamsui.
 1. Rajaburi, German str., from Bangkok.
 2. Kashing, British str., from Chefoo.
 2. Kowloon, German str., from Canton.
 2. Kwanglee, Chinese str., from Shanghai.
 3. Hue, French str., from Kwangchauwan.
 3. Lightning, British str., from Calcutta.
 3. Nippon, Austrian str., from Kobe.
 3. Picqua, British str., from Middlesborough.
 3. Zafiro, British str., from Manila.
 4. Adato, British str., from Moji.
 4. Borneo, German str., from Shanghai.
 4. Drumgeith, British str., from New York.
 4. Emprs. of Japan, Brit. str., from Vancouver.
 4. Lydia, German str., from Wuhu.
 4. Qanfa, British str., from Shanghai.
 4. Peshanr, British str., from London.
 4. Scharnhorst, Ger. str., from Bremenhaven.
 4. Shantung, British str., from Java.
 4. Taishun, Chinese str., from Canton.
 4. Wingsang, British str., from Canton.
 4. Yuensang, British str., from Manila.
 5. Yushun, Chinese str., from Swatow.
 5. Andree Rickmers, Ger. str., from Bangkok.
 5. Bucentaur, British str., from London.
 5. Darmsstadt, German str., from Yokohama.
 5. Germania, German str., from Hoihow.
 5. Hailan, French str., from Pakhoi.
 5. Japan, British str., from London.
 5. Nicomedia, German str., from Portland.
 5. Shaohsing, British str., from Shanghai.
 5. Spezia, German str., from Hamburg.
 5. Stentor, British str., from Liverpool.
 5. Telemachus, British str., from Saigon.
 6. Baron Fairlie, British str., from Calcutta.
 6. Chowtai, German str., from Bangkok.
 6. Denbighshire, British str., from London.
 6. F.F. Norwegian str., from Haiphong.
 6. Haimun, British str., from Tamsui.
 6. Haitan, British str., from Coast Ports.
 6. Hongwan I, British str., from Straits.
 6. Ichia, Italian str., from Bombay.
 6. Newby Hall, British str., from Barry.
 6. Tean, British str., from Manila.
 7. Glenlogan, British str., from London.
 7. Clara Jebson, Ger. str., from Shanghai.
 7. Holstein, German str., from Haiphong.
 7. Manica, British str., from Shanghai.
 7. Palermo, British str., from Yokohama.
 7. Proteus, Norwegian str., from Tamsui.
 8. Arcadia, German str., from Hamburg.
 8. Hermann Menzel, Ger. str., from Moji.
 8. Hero, Norwegian str., from Kuchinotzu.
 8. Hiusang, British str., from Java.
 8. Kaifong, British str., from Cebu.
 8. Keongwai, German str., from Bangkok.
 8. Kwanglee, Chinese str., from Canton.
 8. Shaohsing, British str., from Canton.
 8. Sungkiang, British str., from Swatow.
 8. Tjimahi, Dutch str., from Karatsu.
 9. Childar, Norwegian str., from Calcutta.
 9. Chiyuen, Chinese str., from Shanghai.
 9. Fausang, British str., from Shanghai.
 9. Hongkong, French str., from Haiphong.
 9. Kirkfield, British str., from Calcutta.
 9. Oceanien, French str., from Shanghai.
- DEPARTURES.
- July—
1. Anghin, German str., for Swatow.
 1. Derwen, British str., for Saigon.
 1. Elax, British str., for Shanghai.
 1. Fooshing, British str., for Singapore.
 1. Glenturret, British str., for Singapore.
 1. Goldmouth, British str., for Yokohama.
 1. Mon'trose, British str., for New York.
 1. Nubia, British str., for Europe.
 1. Oscar II, Norwegian str., for Kuchinotzu.
 1. Scottish Hills, British ship, for Manila.
 1. Thode Fagelund, Norw. str., for Calcutta.
 1. Tientain, British str., for Shanghai.
 1. Willehad, German str., for Sydney.
 1. Yuanan, British str., for Chefoo.
 2. Afghan Prince, British str., for Shanghai.
 2. Alesia, German str., for Shanghai.
 2. Glenfalloch, British str., for Amoy.
 2. Glenogle, British str., for Amoy.

2. Laertes, British str., for Saigon.
2. Sildra, Norwegian str., for Moji.
2. Zweena, British str., for Bangkok.
3. Abbey Holme, Brit. str., for Kuchinotzu.
3. Buford, U.S. transport, for Manila.
3. Hanoi, French str., from Haiphong.
3. Kashing, British str., for Canton.
3. Kwanglee, Chinese str., for Shanghai.
3. Rio Lima, Portuguese cruiser, for Macao.
4. Daiya Maru, Japanese str., for Japan.
4. Drumgeith, British str., for Canton.
4. Frithjof, Norwegian str., for Tamsui.
4. Jacob Diederichsen, Ger. str., for Pakhoi.
4. Johanne, German str., for Haiphong.
4. Kwanglee, Chinese str., for Canton.
4. Picqua, British str., for Japan.
4. Promise, Norwegian str., for Anping.
4. Strathnevis, British str., for Sourabaya.
4. Talisman, Norwegian str., for Saigon.
5. Ecclesia, British str., for Batavia.
5. Emma Luyken, Ger. str., for Coast Ports.
5. Hue, French str., for Haiphong.
5. Kowloon, German str., for Chinkiang.
5. Kumsang, British str., for Calcutta.
5. Nippon, Austrian str., for Trieste.
5. Nord, Norwegian str., for Newchwang.
5. Palancotta, British str., for Amoy.
5. Pronto, Norwegian str., for Haiphong.
5. Quinta, German str., for Bangkok.
5. Regina, British str., for Saigon.
5. Scharnhorst, German str., for Shanghai.
5. Shaohsing, British str., for Canton.
5. Taishun, Chinese str., for Shanghai.
5. Taming, British str., for Manila.
5. Tartar, British str., for Vancouver.
5. Wingsang, British str., for Shanghai.
6. Borneo, German str., for Sandakan.
6. Bucentaur, British str., for Yokohama.
6. Darmstadt, German str., for Europe.
6. Hedwig Menzell, Ger. str., for Tournon.
6. Lydia, German str., for Canton.
6. Rajaburi, German str., for Swatow.
6. Siberia, Amr. str., for San Francisco.
6. Yochow, British str., for Shanghai.
7. Amara, British str., for Shanghai.
7. Haimun, British str., for Swatow.
7. Kashing, British str., for Shanghai.
7. Kohsichang, German str., for Bangkok.
7. Yuensang, British str., for Manila.
7. Yushun, Chinese str., for Shanghai.
8. Dotti, Norwegian str., for Iloilo.
8. Hailan, French str., for Hoihow.
8. Hermann Menzell, Ger. str., for Canton.
8. Japan, British str., for Shanghai.
8. Lydia, German str., for Yokohama.
8. Madel. Rickmers, Ger. str., for Swatow.
8. Manica, British str., for London.
8. Onsang, British str., for Singapore.
8. Palermo, British str., for London.
8. Peshawur, British str., for Shanghai.
8. Shantung, British str., for Sourabaya.
8. Stentor, British str., for Shanghai.
8. Zafiro, British str., for Manila.
9. Arcadia, German str., for Shanghai.
9. Clara Jebson, German str., for Shanghai.
9. Dee, British torpedo, for Weihaiwei.
9. Diadem, British cruiser, for Weihaiwei.
9. Egremont Castle, British str., for Saigon.
9. Ettrick, British torpedo, for Weihaiwei.
9. Fri, Norwegian str., for Haiphong.
9. Louise Roth, British str., for Newcastle.
9. Nicomedia, German str., for Portland.
9. Spezia, German str., for Yokohama.

PASSENGER LIST.

ARRIVED.

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